



# THE STOUFFER REPORT

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**Capitol Building, Room 332**  
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**For the Week of:**  
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## **Eminent Domain Protections Approved by Legislature**

A misguided U.S. Supreme Court ruling has left the states scurrying to protect property rights. No other issue looms larger in 2006 than our personal property rights and the controversy over eminent domain, and the General Assembly has responded. House Bill 1944, which the Legislature approved this week, tightens eminent domain regulations following last year's misguided U.S. Supreme Court ruling.

Last year, in *Kelo vs. The City of New London (Conn.)*, the U.S. Supreme Court ruled that local governments can seize the property of local residents for use by private developers, which is an expanded interpretation of eminent domain. Previously, eminent domain, which is referenced in the Fifth Amendment of the U.S. Constitution, was only used for public projects, such as roads and bridges.

The justification for the court decision was that new commercial developments will earn more tax revenue for local government than will existing homes or businesses, and that new revenue can be used to improve conditions in the area. In spite of the court's intentions, however, by including private development as a justifiable use of eminent domain we are allowing local governments to transfer the property of one owner to another. And that is simply not in line with the American ideals of freedom within a system of equal representation.

As a result, the General Assembly has passed HB 1944, which puts property owners first by limiting eminent domain from being used in projects solely for economic development. The legislation also prohibits farmland from being considered "blighted."

In the rare cases when eminent domain could be used, HB 1944 requires factors such as fair market value and heritage value to be considered when deciding fair compensation for property taken through eminent domain. Those who have had their homes taken by a condemning authority are required to receive 25 percent more than the home's value. Under the heritage value provision, homes, farms or businesses that have been in the same extended family for at least 50 years will automatically receive an additional 50 percent of the land's value.

These measures will work together to make it harder for private developers to pressure local governments into seizing private property through eminent domain. It also ensures that those who are affected by eminent domain will be adequately compensated.

If you have questions or comments about this or any other issue, please call toll free (866) 768-3987 or by email at [bstouffer@senate.mo.gov](mailto:bstouffer@senate.mo.gov).

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