SENATE BILL 5122

State of Washington 52nd Legislature 1991 Regular Session

By Senators McCaslin, Patterson, Rasmussen, Thorsness, Hansen, Metcalf, Barr, Hayner, Amondson, Matson, Craswell, Vognild, Stratton, Roach, Oke and Erwin.

Read first time January 21, 1991. Referred to Committee on Governmental Operations.

AN ACT Relating to regulatory takings and other unconstitutional interferences with the use of private property by governmental bodies; and adding a new chapter to Title 64 RCW.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 <u>NEW SECTION.</u> Sec. 1. Article I, sections 3 and 16 of the 6 Constitution of the state of Washington and Amendments V and XIV of the 7 Constitution of the United States provide that no person shall be deprived of property without due process of law and no private property 8 shall be taken or damaged for public use without just compensation 9 10 having first been made. Recent decisions by the United States supreme 11 court and the supreme court of the state of Washington have established the criteria and tests to be used for determining when a taking of 12 private property or violation of due process has occurred. 13

14 These criteria should be carefully evaluated by governmental bodies 15 whose actions affect private property so as to assure proper protection of constitutionally guaranteed property rights and reduce the burdens
 and uncertainty forced upon citizens, local governments, and the state
 by lengthy and costly litigation to settle private property issues
 through the judicial process.

5 The purpose of this chapter is to establish an orderly, consistent 6 process that better enables governmental bodies to evaluate whether 7 proposed regulatory or administrative actions may result in a taking of 8 private property or violation of due process. It is not the purpose of 9 this chapter to expand or reduce the scope of private property 10 protections provided in the state and federal Constitutions.

11 <u>NEW SECTION.</u> **Sec. 2.** Unless the context clearly requires 12 otherwise, the definitions in this section apply throughout this 13 chapter.

(1) "Private property" means all property protected by Amendments
V and XIV of the Constitution of the United States or Article I,
sections 3 and 16 of the Constitution of the state of Washington.

17 (2) "Government agency" means the state of Washington and any 18 officer, agency, board, commission, department, or similar body of the 19 executive branch of state government; and any of the political 20 subdivisions of the state including any cities, towns, counties, or 21 other public bodies exercising regulatory authority or control over the 22 use of private property in the state.

(3) "Taking" means an uncompensated damaging or deprivation ofprivate property in violation of the state or federal Constitution.

(4) "Policies that have constitutional implications" means current or proposed regulations, ordinances, or resolutions; proposed state legislation; or other government agency policy statements that, if implemented or enacted, could effect a taking or deprive a person of property without due process of law, such as policies, regulations,

SB 5122

p. 2 of 5

orders, or agreements that propose or implement licensing, permitting, or condition requirements or limitations on private property use, or that require dedications or exactions from owners of private property. "Policies that have constitutional implications" does not include actions in which the power of eminent domain is formally exercised; or law enforcement actions involving seizure of property for forfeiture or as evidence in criminal proceedings.

8 <u>NEW SECTION.</u> Sec. 3. The attorney general shall develop a 9 checklist and guidelines by October 1, 1991, to assist government 10 agencies in the identification and evaluation of policies that have 11 constitutional implications including policies that may result in a 12 taking. The attorney general shall review and update the checklist and 13 guidelines at least on an annual basis to maintain consistency with 14 changes in the law.

15 <u>NEW SECTION.</u> Sec. 4. Commencing January 1, 1992, each 16 government agency proposing or implementing policies that have 17 constitutional implications shall designate a person or persons in the 18 agency who will be responsible for ensuring compliance with the 19 provisions of this chapter. Each agency policy that has constitutional implications shall be submitted to the designated person for review. 20 21 Using the checklist and guidelines prepared pursuant to section 3 22 of this act, the designated person shall prepare a constitutional

24 elements: 25 (1) A description of how the policy affects private property

impact assessment which includes an analysis of at least the following

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26 including the likelihood that the policy could result in a taking or 27 deprive a person of property without due process of law.

1 (2) Alternatives to the policy that would fulfill the government 2 agency's legal obligation but that would reduce the impact on the 3 private property owner and the risk of a taking.

4 (3) An estimate of the financial cost to the government agency for
5 compensation and a source of payment within the agency's budget.

6 Prior to implementing policies that have constitutional 7 implications, a copy of the constitutional impact assessment shall be 8 submitted to the agency director and appropriate financial management 9 authority.

10 Any award made to an owner of private property from a government 11 agency for a taking or other unconstitutional interference with the use 12 of private property, including any award of reasonable costs and 13 attorneys' fees, shall come from the agency's existing budget unless 14 the agency had previously disclosed an estimate of such costs to the 15 appropriate financial management authority and funds were included in 16 the budget for that purpose.

17 <u>NEW SECTION.</u> Sec. 5. Owners of a property interest, who 18 successfully establish that a policy that has constitutional 19 implications is an unconstitutional taking or violation of due process, 20 shall be awarded reasonable costs and attorneys' fees incurred in 21 establishing their claim. The remedies provided by this chapter are in 22 addition to any other remedies provided by law.

23 <u>NEW SECTION.</u> Sec. 6. The effect of policies that have 24 constitutional implications on the fair market value of affected 25 property shall be reflected in the assessed valuation of that property 26 for taxes, levies, and similar purposes.

SB 5122

p. 4 of 5

<u>NEW SECTION.</u> Sec. 7. This chapter may be referred to as the
 property rights protection act.

3 <u>NEW SECTION.</u> Sec. 8. Sections 1 through 7 of this act shall
4 constitute a new chapter in Title 64 RCW.