As Passed by the Senate

126th General Assembly Regular Session 2005-2006

Am. Sub. S. B. No. 167

Senators Grendell, Zurz, Harris, Jacobson, Cates, Mallory, Brady, Amstutz, Armbruster, Carey, Dann, Gardner, Goodman, Miller, Roberts, Schuler, Schuring, Spada, Wachtmann, Wilson, Padgett, Austria, Clancy, Mumper, Hottinger, Niehaus, Jordan, Fedor, Coughlin

A BILL

To establish, until December 31, 2006, a moratorium	1
on the use of eminent domain by any entity of the	2
state government or any political subdivision of	3
the state to take, without the owner's consent,	4
private property that is in an unblighted area	5
when the primary purpose for the taking is	б
economic development that will ultimately result	7
in ownership of the property being vested in	8
another private person, to create the Legislative	9
Task Force to Study Eminent Domain and Its Use and	10
Application in the State, and to declare an	11
emergency.	12

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. As used in Sections 2 to 5 of this act:	13
(A) "Blighted area" has the same meaning as in section 303.26	14
of the Revised Code, but also includes an area in a municipal	15
corporation.	16
(B) "Public body" means any entity of the state government,	17

(B) "Public body" means any entity of the state government,

and any county, municipal corporation, township, commission, district, authority, or other political subdivision of the state, that has the power to take private property by eminent domain. 18 19 20

Section 2. (A) Notwithstanding any provision of the Revised 21 Code to the contrary, until December 31, 2006, no public body 22 shall use eminent domain to take, without the consent of the 23 owner, private property that is not within a blighted area, as 24 determined by the public body, when the primary purpose for the 25 taking is economic development that will ultimately result in 26 ownership of that property being vested in another private person. 27

(B)(1) Until December 31, 2006, if any public body uses 28 eminent domain to take, without the consent of the owner, private 29 property that is not within a blighted area, as determined by the 30 public body, when the primary purpose for the taking is economic 31 development that will ultimately result in ownership of that 32 property being vested in another private person, each of the 33 following shall apply: 34

(a) The Ohio Public Works Commission shall not award or
distribute to the public body any funding under a capital
improvement program created under Chapter 164. of the Revised
Code.

(b) The Department of Development shall not award or
distribute to the public body any funding under a shovel ready
sites program created under section 122.083 of the Revised Code.

(c) The public body shall not receive any funding designatedfor capital purposes in any act of the General Assembly.43

(2) Until December 31, 2006, any public body seeking to
obtain funds described in division (B)(1) of this section, shall
certify in writing to the grantor of the funds that the public
body has not used its eminent domain authority on or after the

48 effective date of this act to take private property in violation 49 of the moratorium established by this act. (C) Divisions (A) and (B) of this section do not apply to the 50 use of eminent domain for the taking of private property to be 51 used as follows: 52 (1) In the construction, maintenance, or repair of roads, 53 including, but not limited to, such use pursuant to authority 54 granted under Title LV of the Revised Code; 55 (2) For a public utility purpose; 56 57 (3) By a common carrier. Section 3. (A) There is hereby created the Legislative Task 58 Force to Study Eminent Domain and Its Use and Application in the 59 State. The Task Force shall consist of the following twenty-five 60 members: 61 (1) Three members of the House of Representatives, with two 62 members appointed by the Speaker of the House of Representatives 63 and one member appointed by the Minority Leader of the House of 64 Representatives. The Speaker of the House of Representatives shall 65 designate one of the members the Speaker appoints to serve as 66 co-chairperson of the Task Force. 67 (2) Three members of the Senate, with two members appointed 68 by the President of the Senate and one member appointed by the 69

Minority Leader of the Senate. The President of the Senate shall70designate one of the members the President appoints to serve as71co-chairperson of the Task Force.72

(3) One member representing the home building industry in the
state, appointed jointly by the Speaker of the House of
Representatives and the President of the Senate;
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(4) One member who shall be a statewide advocate for land use 76

planning in the state, appointed jointly by the Speaker of the House of Representatives and the President of the Senate; 78

(5) One member representing the agricultural industry in the
state, appointed jointly by the Speaker of the House of
Representatives and the President of the Senate;
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(6) One member representing the commercial real estate
industry in the state, appointed jointly by the Speaker of the
House of Representatives and the President of the Senate;

(7) One member representing licensed realtors in the state,
appointed jointly by the Speaker of the House of Representatives
and the President of the Senate;
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(8) One member representing the Ohio Prosecuting Attorneys
Association or the Ohio Association of Probate Judges, appointed
jointly by the Speaker of the House of Representatives and the
President of the Senate;
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(9) One member who shall be an attorney who is knowledgeable
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on the issues confronting the Task Force and who represents
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persons who own property and reside within Ohio, appointed jointly
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by the Speaker of the House of Representatives and the President
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of the Senate;

(10) One member knowledgeable on the issues confronting the
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Task Force who represents persons who own property and reside
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within Ohio, appointed jointly by the Speaker of the House of
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Representatives and the President of the Senate;

(11) One member representing the planning industry in the
state, one member representing an Ohio labor organization, one
member representing a statewide historic preservation organization
that works within commercial districts, one member representing
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municipal corporations, one member representing counties, and one
member representing townships, each appointed by the Governor;

(12) The Director of Development or the Director's designee; 107

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(13) The Director of Transportation or the Director's 108
designee; 109
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(14) Two members who shall be attorneys with expertise ineminent domain issues, each appointed by the Attorney General;111

(15) One member representing small businesses, appointed
jointly by the Speaker of the House of Representatives and the
President of the Senate.

(B) Appointments to the Task Force shall be made not later
than thirty days after the effective date of this section. Any
vacancy in the membership of the Task Force shall be filled in the
same manner as the original appointment. Members of the Task Force
shall serve without compensation.

(C)(1) The Task Force shall study each of the following: 120

(a) The use of eminent domain and its impact on property121rights and economic development in the state;122

(b) How the decision of the United States Supreme Court in
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Kelo v. City of New London, 125 S. Ct. 2655 (2005) affects state
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law governing the use of eminent domain in the state.
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(2) The Task Force shall prepare and submit to the General 126 Assembly by not later than December 31, 2005, a report that shall 127 include the findings of its study and recommendations concerning 128 the use of eminent domain and its impact on property rights and 129 economic development, and by not later than April 1, 2006, a 130 report that shall include findings and recommendations regarding 131 the updating of state law governing eminent domain. On submission 132 of the report due not later than April 1, 2006, the Task Force 133 shall cease to exist. 134

(D) The Legislative Service Commission shall provide any135technical, professional, and clerical employees that are necessary136

for the Task Force to perform its duties.

(E) All meetings of the Task Force are declared to be public 138 meetings open to the public at all times. A member of the Task 139 Force shall be present in person at a meeting that is open to the 140 public in order to be considered present or to vote at the meeting 141 and for the purposes of determining whether a quorum is present. 142 The Task Force shall promptly prepare and maintain the minutes of 143 its meetings, which shall be public records under section 149.43 144 of the Revised Code. The Task Force shall give reasonable notice 145 of its meetings so that any person may determine the time and 146 place of all scheduled meetings. The Task Force shall not hold a 147 meeting unless it gives at least twenty-four hours advance 148 notification to the news media organizations that have requested 149 such notification. 150

Section 4. The General Assembly hereby makes the following 151 statements of findings and intent: 152

(A) On June 23, 2005, the United States Supreme Court 153 rendered its decision in Kelo v. City of New London, 125 S. Ct. 154 2655 (2005), which allows the taking of private property that is 155 not within a blighted area by eminent domain for the purpose of 156 economic development even when the ultimate result of the taking 157 is ownership of the property being vested in another private 158 person. As a result of this decision, the General Assembly 159 believes the interpretation and use of the state's eminent domain 160 law could be expanded to allow the taking of private property that 161 is not within a blighted area, ultimately resulting in ownership 162 of that property being vested in another private person in 163 violation of Sections 1 and 19 of Article I, Ohio Constitution, 164 which protect the rights of Ohio citizens to maintain property as 165 inviolate, subservient only to the public welfare. Thus, the 166 General Assembly finds it is necessary to enact a moratorium on 167

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any takings of this nature by any public body until further 168 legislative remedies may be considered. 169 (B) The General Assembly finds that it is a matter of 170 statewide concern to enact the moratorium. The moratorium is 171 necessary to protect the general welfare and the rights of 172 citizens under Sections 1 and 19 of Article I, Ohio Constitution, 173 and to ensure that these rights are not violated due to the Kelo 174 decision. In enacting this provision, the General Assembly wishes 175 to ensure uniformity throughout the state. 176

Section 5. Section 2 of this act applies only to taking 177 actions initiated on or after the effective date of this act. As 178 used in this section, "initiated" means the adoption of a 179 resolution or ordinance of necessity by the public body or filing 180 of a court action, but excludes taking actions for which a 181 resolution or ordinance of necessity or other official action of a 182 condemning authority has been taken and public funds have been 183 expended in connection with that taking action prior to the 184 effective date of this act. 185

Section 6. If any item of law that constitutes the whole or 186 part of an uncodified section of law contained in this act, or if 187 any application of any item of law that constitutes the whole or 188 part of an uncodified section of law contained in this act, is 189 held invalid, the invalidity does not affect other items of law or 190 applications of items of law that can be given effect without the 191 invalid item of law or application. To this end, the items of law 192 of which the uncodified sections contained in this act are 193 composed, and their applications, are independent and severable. 194

Section 7. This act is hereby declared to be an emergency 195 measure necessary for the immediate preservation of the public 196 peace, health, and safety. The reason for the necessity is that 197

the United States Supreme Court decision in Kelo v. City of New	198
London, 125 S. Ct. 2655 (2005) could allow the taking of private	199
property that is not within a blighted area, ultimately resulting	200
in ownership of that property being vested in another private	201
person in violation of Sections 1 and 19 of Article I, Ohio	202
Constitution, and, as a result, warrants a moratorium on any	203
takings of this type until further legislative remedies may be	204
considered. Therefore, this act shall go into immediate effect.	205