

HOUSE RESEARCH

Bill Summary

FILE NUMBER: H.F. 338

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Subject: Eminent domain compensation with respect to a high-voltage transmission line

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Overview

Statutory changes in eminent domain law made in 2010 required public service corporations, including utilities and pipelines, to abide by existing provisions of law from which they had previously been exempt. These provisions governed compensation to landowners for attorneys' fees, loss of an on-going business, relocation, and appraisals, as well as petition and notice requirements.

H.F. 338 makes utilities subject to those statutes when they are condemning agricultural land for construction of a high-voltage transmission line under Minnesota's "Buy the Farm" law, which allows an owner to require the utility to condemn and purchase any amount of land contiguous to the parcel needed for the project, up to and including the entire property. The bill makes additional changes to the "Buy the Farm" language, including removing the requirement that the land elected by the landowner to be condemned be "commercially viable."

The bill also requires the Department of Commerce to provide a "property rights ombudsman" to landowners affected by a transmission line or pipeline to advise them of the procedures entailed in a right-of-way acquisition and of their legal rights, and how to find appraisers and attorneys specializing in these issues.

Section

- 1 [117.189] **Public service corporation; exceptions.** Strikes language capping awards to landowners for appraisal fees.
- 2 [216E.012] **Subd. 4. Contiguous land.** (a) Removes the requirement that the land an agricultural landowner voluntarily elects to be condemned as part of an eminent domain

Section

proceeding for construction of a high-voltage transmission line be commercially viable.

Provides a utility 60 days to object to a landowner's election of the amount of contiguous land to be condemned under this subdivision. If an objection is filed, the district court must hold a hearing to determine whether to uphold or reject it within 90 days of the objection.

(b) Specifies that certain provisions of chapter 117 governing condemnations – including reimbursement to landowners for attorneys' fees and appraisal fees, and compensation for loss of an on-going business – apply to the acquisition of land under the "Buy the Farm" statute.

(c) Provides a utility 90 days to make a written offer to a landowner that has elected to require the condemnation of additional contiguous land.

(d) Defines "owner."

- 3** **[216E.121] Property rights ombudsman.** Requires the Department of Commerce to make a "Property Rights Ombudsman" available to landowners affected by a transmission line or pipeline project. The ombudsman's duties are to explain the property acquisition process, advise landowners of their rights, and assist them to find appraisal and attorney services.