



Highlights of [GAO-07-28](#), a report to congressional committees

Why GAO Did This Study

In the Transportation, Treasury, Housing and Urban Development, the Judiciary, the District of Columbia, and Independent Agencies Appropriations Act, 2006, Congress mandated that GAO conduct a nationwide study on the use of eminent domain by state and local governments. This report provides information on (1) the purposes for and extent to which eminent domain can be and has been used; (2) the process states and select localities across the country use to acquire land, including by eminent domain; (3) how the use of eminent domain has affected individuals and communities in select localities; and (4) the changes state legislatures made to laws governing the use of eminent domain from June 2005 through July 2006.

To address these objectives, GAO reviewed relevant provisions in federal, state, and local laws; conducted site visits to various redevelopment projects where eminent domain was used; and interviewed multiple national associations of local and state government officials and planning professionals, national public interest groups, and national property rights groups to gain their perspectives on the use of eminent domain and its effect on communities and property owners.

The Department of Transportation provided technical comments on a draft of this report, which have been incorporated where appropriate.

www.gao.gov/cgi-bin/getrpt?GAO-07-28.

To view the full product, including the scope and methodology, click on the link above. For more information, contact William B. Shear at (202) 512-8678 or shearw@gao.gov.

EMINENT DOMAIN

Information about Its Uses and Effect on Property Owners and Communities Is Limited

What GAO Found

Officials from national organizations and state and local governments cited various purposes for which eminent domain can be or has been used, including the building or expansion of transportation-related projects; the elimination and prevention of conditions that are detrimental to the physical, social, and economic well-being of an area; remediation of environmental contamination; and economic development. However, no centralized or aggregate national or state data exist on the use of eminent domain, thereby precluding GAO from any national or statewide assessments of, among other things, how frequently eminent domain is used for private-to-public or private-to-private transfer of property and purposes of these transfers.

Multiple laws promulgated from federal, state, and local governments set forth how authorities can acquire land—including by eminent domain—and how compensation for property owners is determined. Some believe payment limits are too low. The initial step in a project that involves land acquisition is the public review and approval by a public body of a project plan, which is followed by a land valuation process during which title studies and appraisals are completed. During the land acquisition stage, authorities often make a formal offer to the owner and attempt to negotiate the purchase of the property. If the authority cannot locate the owner or the parties cannot agree to a price, among other circumstances, the authorities then begin the formal legal proceedings to acquire the property by eminent domain. Finally, once the property is acquired, authorities may provide relocation assistance that may include monetary payments to cover moving expenses.

Redevelopment projects for which eminent domain is used affect individuals and communities in a range of ways that cannot be quantified due to a lack of measures and aggregate data. According to authorities, areas selected for redevelopment could have been vacant and abandoned land or those that included residents and operating businesses. Local officials both described and showed us community benefits resulting from redevelopment projects, including additional employment opportunities and housing in an area. Also, property rights groups told us some of the negative effects of eminent domain, such as the dispersal of long-standing communities. Finally, these groups expressed concerns about how authorities implement procedures for using eminent domain, particularly the provision of public notice to owners about the risk of condemnation, and the process for designating an area as blighted.

From June 23, 2005, through July 31, 2006, 29 states enacted at least one of the following three general types of changes to their eminent domain laws: (1) restrictions on the use of eminent domain under certain circumstances, (2) additional procedural requirements, and (3) changes that defined or redefined key terms related to eminent domain including public use.