

Testimony of Troy Coons on behalf of
Northwest Landowners Association
in favor of
SENATE BILL NO. 2313
House Energy and Natural Resources Committee
March 17, 2023

Chairman Porter and members of the committee, thank you for taking my testimony into consideration today.

My name is Troy Coons and I am the Chairman of the Northwest Landowners Association. Northwest Landowners Association represents over 525 farmers, ranchers, and property owners in North Dakota. Northwest Landowners Association is a nonprofit organization, and I am not a paid lobbyist.

We support SB 2313 because market value is often not “just” compensation for a landowner whose land was not for sale. As landowners, we are able to sell our land on the market for market value at most any time we want. Although it is not always the case, just compensation in eminent domain proceedings is most often measured by looking at market values, whether for a residential property or a pipeline easement. When a landowner is being forced to sell his land against his will, it is unfair that the remedy is merely what he would have received if he had chosen to sell his land. The point is that he did not and the land was not for sale, and this should be recognized when we compensate the landowner in an eminent domain proceeding.

This bill initially set out a 33% increase in the market value compensation, and has been converted to a study. We hope you will consider adopting something very similar next session after a study, and we would also ask for you to study laws like Indiana Code section 32-24-4.5-8. This Indiana law is just one example, but for any land taken by eminent domain, it accounts for the concerns I discussed.

For example, for agricultural land taken by eminent domain, it requires payment of 125% of the fair market value of the parcel, or it also allows for the landowner to request the transfer of a parcel of land equal in acreage to that being taken. It also requires “payment of loss incurred in a trade or business” so that the landowner and their livelihood are made whole. This law also requires “payment to the owner equal to 150% of the fair market value” for residential properties as well as relocation costs. These are just a few examples from one state we uncovered in our

research, but we feel it is important for us to take a hard look and get this right, and we hope that a similar bill comes out of the process next session.

We also believe that the most important effect of this legislation would be to reduce the use of eminent domain proceedings as a threat and encourage more settlements and resolutions instead of litigation.

Thank you,

Troy Coons

Northwest Landowners Association