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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 555

02/01/2021 Authored by Mekeland, Novotny, Theis and Lucero The bill was read for the first time and referred to the Committee on Rules and Legislative Administration

1.1 A bill for an act
1.2 relating to eminent domain; authorizing inverse condemnation by a business closed
1.3 by executive order due to a peacetime emergency; proposing coding for new law
1.4 in Minnesota Statutes, chapter 12.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. [12.345] INVERSE CONDEMNATION; PEACETIME EMERGENCY;
1.7 COMPENSATION.

1.8 Subdivision 1. Definitions; procedures. (a) Chapter 117 applies to this section.

1.9 (b) For the purposes of this section, "executive order" means an executive order that is
1.10 issued on or after January 1, 2020, during a peacetime public emergency declared by the
1.11 governor under this chapter.

1.12 Subd. 2. Public purpose; cause of action. (a) An executive order that requires a business
1.13 to partially or completely close is a public purpose. An owner, as defined in section 117.186,
1.14 may bring an action in district court to compel the state to commence condemnation
1.15 proceedings and payment of just compensation for:

1.16 (1) loss of income during, and for a reasonable period of time after, a temporary partial
1.17 or complete closure of the business that would not have occurred but for compliance with
1.18 the executive order; or

1.19 (2) loss of going concern, including the loss of real property, if the closure of the business
1.20 results in the owner going out of business and the owner would not have gone out of business
1.21 but for compliance with the executive order.

2.1 (b) The owner has the burden of proving that the loss is due to the executive order and  
2.2 proving the amount of the compensation for losses. An owner bringing an action under this  
2.3 section may petition the court for reimbursement of reasonable costs and expenses, including  
2.4 reasonable attorney fees, appraisal fees, and costs actually incurred in bringing the action.

2.5 Subd. 3. **Time limitation.** A petition for just compensation brought under this section  
2.6 must be filed within one year of the expiration of the executive order that resulted in the  
2.7 business closure.

2.8 **EFFECTIVE DATE.** This section is effective the day following final enactment.