

Department of Planning and Budget
2025 General Assembly Session
State Fiscal Impact Statement

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ORIGINAL

Bill Number: HB1721H3

Patron: Watts

Bill Title: Condemnation of conservation or open-space easement; compensation; Uniform Easement Relocation Act.

Bill Summary: Creates the Uniform Easement Relocation Act, which allows the owner of real estate burdened by an easement to obtain a court order to relocate the easement if the relocation does not materially impair, among other impairments, (i) the utility of the easement holder or (ii) the physical condition, use, or value of the benefited property. The Act requires that the burdened property owner file a civil action, give notice to other potentially affected real property interest owners, and bear the costs of relocation. Under current law, the owner of land that is subject to an easement may seek relocation of the easement on the servient estate upon petition to the circuit court and notice to all parties in interest, and the petition will be granted if, after a hearing held, the court finds that (a) the relocation will not result in economic damage to the parties in interest, (b) there will be no undue hardship created by the relocation, and (c) the easement has been in existence for not less than 10 years.

The bill provides that if a person takes by condemnation proceedings any land or right-of-way or similar interest therein that is subject to a conservation easement, as such term is defined in § 10.1-1009, or an open-space easement, as such term is defined in § 10.1-1700, the person, in addition to any compensation determined under the provisions of this title, shall compensate, in amounts proportionate to the land or interest therein being condemned, (i) the Commonwealth for the value of any tax credit received by the landowner under the provisions of the Virginia Land Conservation Incentives Act of 1999 (§ 58.1-510 et seq.) during the pendency of the conservation easement or open-space easement and (ii) the locality in which the land or interest therein is located for any property tax avoided by the landowner during the pendency of the conservation easement or open-space easement.

This act shall not become effective unless reenacted by the 2026 Session of the General Assembly. The third enactment requires that the Boyd-Graves Conference conduct a study on the provisions and present the report by November 1, 2025.

Budget Amendment Necessary: No.

Items Impacted: N/A.

Explanation: This bill may impact the court system and localities. No budget amendment is needed.

Fiscal Summary: No state expenditure impact.

Fiscal Analysis: This impact statement is preliminary. This bill establishes the Uniform Easement Relocation Act, which allows the owner of real estate burdened by an easement to obtain a court order to relocate the easement under certain conditions. This action cannot be used to relocate any easement held by the

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Commonwealth. To obtain an order to relocate an easement, a servient estate owner must commence a civil action. Any impact on the court system is indeterminate.

The Boyd-Graves Conference is a steering committee of the Virginia Bar Association, which is not a state agency and does not receive any state funding. Any impact this bill may have on the Boyd-Graves Conference is unknown.

Other: None.