

# **House Bill 3546-B Provides an Extension for Proper Processing of Measure 37 Claims**

## **The backlog of late claims has become insurmountable under Measure 37's timelines**

**6,680** Measure 37 claims have been filed with the state, seeking compensation estimated at more than \$14 billion. The total exceeds 7,000 claims including claims filed exclusively with local governments.

- **3,529** of these claims were received between Nov. 10 and Dec. 4, 2006. The state must respond to these claims within 180 days.
- **3,614** of the total claims are in various stages of process at DAS (new claims, Claim Review process, obtaining neighbor information, awaiting response from counties, and pending letter completion)
- **2,669** claims have been closed (through Final Order or Withdrawal process)
- At least **2,593** Final Orders (waivers) have been issued
- More than **3,000** claims remain to be processed

On or about May 14, the state will begin missing the 180-day deadlines.

- In the week of May 14, the state will miss the deadline for approximately 215 claims (seeking \$516 million in compensation).
- In the following week, the state will miss another 370 deadlines (\$888 million).
- In the week of May 28, that number will go to over 2,000 claims (\$4.8 billion).

## **Processing claims requires due diligence and time-consuming research**

To process these claims, the Department of Land Conservation and Development (DLCD) must examine property and ownership records, analyze land use regulations, assess the impact of those regulations on individual properties, determine findings of fact and issue final orders to the claimants.

DLCD has doubled its processing rate from an average of 150 claims per month to more than 300 per month, since the surge of new claims began late last year. Continuing at that accelerated processing rate, DLCD will be able to complete only 10% of the pending claims now in the pipeline.

## **Failure to meet the Measure 37 deadlines will result in extraordinary liabilities for the state**

DLCD estimates that it will be unable to meet the deadline on close to 90% of the claims filed after Nov. 1, 2006. Those claims seek more than \$7 billion in compensation.

The state and local governments are liable for damages, attorneys' fees and court costs if they fail to complete the processing of a claim within the 180-day time period.

## **HB 3546-B provides the time needed to ensure proper processing of claims and avoid liabilities for the state and local governments**

HB 3546-B provides an extension of 360 days in addition to the 180 days specified in Measure 37 to research and respond to all Measure 37 claims

HB 3546-B also includes a hold-harmless provision for claimants during the extension period. Since Measure 37 extinguishes the rights of claimants who die before their claims are filed or completed, HB 3546-B guarantees that the heirs of any claimant who dies during its extension period shall have the right to continue to pursue the decedent's claim.