Contact: Jenny Kefauver 703/850-3533



Supreme Court Adopts Southeastern Legal Foundation's Property Rights Argument in Landmark Decision

WASHINGTON, DC (April 12, 2024): Following briefing from <u>Southeastern Legal Foundation</u> (SLF) and <u>Beacon Center of Tennessee</u>, the United States Supreme Court issued a landmark ruling today that when the government takes private property for public use, it does not matter for purposes of the Fifth Amendment Takings Clause whether it is the executive or legislative branch that is doing the taking.

The case, <u>Sheetz v. El Dorado</u>, involved a condition that was placed on a building permit in California. A landowner, represented by attorney Paul Beard and <u>Pacific Legal Foundation</u>, was told that under local legislation, he needed to pay thousands of dollars in road improvements before he could build a home on his own private property. The Supreme Court <u>ruled</u> that it does not matter whether a legislative or administrative body imposes such a condition: since they are equal branches of government, the Constitution applies to them equally. This decision settles an issue that has deeply divided and confused state and federal courts for decades.

The decision comes on the heels of SLF's and Beacon's recent precedent-setting victory on the same issue in <u>Knight v. Nashville</u>, the first ever ruling by a federal circuit court declaring that the Takings Clause applies equally to both branches of government. There, SLF and Beacon successfully argued before the Sixth Circuit Court of Appeals on behalf of their clients that a legislatively-imposed condition placed on building permits in the city of Nashville was subject to the Takings Clause.

Nashville did not appeal SLF's win to the U.S. Supreme Court, and with the Supreme Court's decision today, any appeal of a similar ruling would certainly lose. The Supreme Court even relied on the Knight decision, holding, "The Constitution's text does not limit the Takings Clause to a particular branch of government. . . . It does not single out legislative acts for special treatment."

SLF Executive Director <u>Kimberly Hermann</u> states, "This is a major win for landowners everywhere. The Supreme Court has closed a major loophole that local governments were exploiting. Most importantly, this decision reinforces in no uncertain terms that all branches of government are bound by the Constitution and Bill of Rights equally."