

MLG.

5/11/60

Memorandum No. 47 (1960)

Subject: Study No. 36 - Incidental Business Losses.

Attached is the study on incidental business losses.

The issues presented by the study are:

1. Should any incidental business losses be compensated when property is taken by eminent domain? The losses discussed include good will, losses due to business interruption and lost profits.

The consultant recommends that, for the time being, no compensation should be provided for these losses. The consultant believes that legislation on these matters should be delayed until experience has been acquired under the legislation providing for the reimbursement of moving expenses.

2. If any business losses are to be compensated in eminent domain proceedings, which losses should be so compensated:

- a. Good will?
- b. Losses from business interruption?
- c. Lost profits?

Respectfully submitted,

Joseph B. Harvey
Assistant Executive Secretary