



2001 ASSEMBLY BILL 663

December 3, 2001 – Introduced by Representative CULLEN. Referred to Joint committee on Finance.

- 1 **AN ACT relating to:** expenditure of \$154,500 from the general fund in payment
2 of a claim against the state made by Jack and Margot Raz.

Analysis by the Legislative Reference Bureau

This bill directs expenditure of \$154,500 from the general fund in payment of a claim made by Jack and Margot Raz against the state fair park board (board). The claimants have leased land at the state fair park for the operation of a delicatessen since 1977. In August 1998, the claimants entered into a contract to sell their business to a third party for \$154,500, subject to approval by the board. The board approved the sale in August 2000. During the interim between the date of the agreement and the date of approval, the buyer terminated the contract because the delay in obtaining approval was unreasonable. The claimants allege that the board orally approved and encouraged the sale, but then failed to approve it in a timely manner, causing the termination of the sales contract. The board denies that it orally approved the sale and asserts that the lease agreement entered into by the board with the claimants specifically requires prior approval of the board of any sale of the claimants' premises. The board also asserts that the delay in granting approval was necessary because the board was preparing a master plan for the state fair park when the approval was pending and the board did not know whether the claimants' business would fit into the plan until the planning process was complete. On June 7, 2001, the claims board recommended denial of this claim (see *Senate Journal*, pp. 221-222).

