Text consolidated by Valsts valodas centrs (State Language Centre) with amending laws of:

14 April 2016 [shall come into force on 1 June 2016];

31 March 2022 [shall come into force on 3 May 2022].

If a whole or part of a section has been amended, the date of the amending law appears in square brackets at the end of the section. If a whole section, paragraph or clause has been deleted, the date of the deletion appears in square brackets beside the deleted section, paragraph or clause.

The *Saeima*1 has adopted and

the President has proclaimed the following law:

**Law on the Alienation of Immovable Property Necessary for Public Needs**

**Chapter I**

**General Provisions**

**Section 1.** The purpose of the Law is to lay down transparent, efficient, and just procedures for alienating immovable property of private individuals for public needs.

[*31 March 2022*]

**Section 2.** Immovable property shall be alienated for State protection, environmental protection, health protection or social security needs, construction of cultural, educational and sports facilities, engineering structures and engineering communications or development of transport infrastructure necessary for the public as well as for ensuring other public needs, provided that this aim cannot be achieved by other means.

**Section 3.** Alienation of immovable property for public needs shall be proposed and performed by a State administration institution or local government the competence of which includes ensuring of the respective public needs (hereinafter – the authority).

**Section 4.** Alienation of immovable property for public needs shall be performed upon agreement on voluntary alienation of immovable property or expropriation thereof on the basis of a specific law.

**Section 5.** Expropriation of immovable property for public needs shall only be permitted in exceptional cases for a fair compensation and only on the basis of a specific law in compliance with the provisions provided for in this Law.

**Section 6.** (1) If only a part of immovable property is necessary for public needs and the remaining part thereof may not be used due to insufficient area, encumbrances, configuration or any other circumstances according to the local government spatial plan, the authority shall propose alienating the entire immovable property and alienate the entire immovable property, unless another agreement is reached with an owner of immovable property.

(2) A dispute regarding the need to alienate the entire immovable property shall be examined by court in accordance with the procedures laid down in the Civil Procedure Law.

**Section 7.** The authority shall compensate for any losses which an owner of immovable property has incurred in the process of alienation of this immovable property, including the losses which result in case the immovable property is not alienated.

**Section 7.1** In alienating immovable property for public needs, the regard shall also be had to the interests of a person in favour of whom the pledge right has been corroborated in relation to the immovable property. Alienation of immovable property for public needs may not, in itself, serve as a basis for requesting early fulfilment of obligations which are secured with the respective immovable property or for believing that the relevant obligations are being violated.

[*14 April 2016 / See Paragraph 5 of Transitional Provisions*]

**Chapter II**

**Procedures for Alienating Immovable Property**

**Section 8.** (1) After the Cabinet or a local government has taken a conceptual decision to implement a project necessary for ensuring public needs, the authority shall initiate identification of immovable property necessary for implementation of the respective project and determine a compensation for the immovable property to be alienated. If it is envisaged to alienate only part of immovable property for public needs, the authority shall additionally prepare a graphic material showing boundaries of the part of the respective immovable property to be alienated.

(2) After taking the decision referred to in Paragraph one of this Section, the authority has the right to perform the following without consent of an owner of immovable property:

1) receive copies of documents which refer to the composition and use of the immovable property;

2) carry out preliminary design and design work. The authority shall inform the owner of the immovable property of the initiation of design of structures by sending a notification.

**Section 9.** (1) The Cabinet or a local government shall, within four months after taking the decision regarding amount of compensation, take the decision to propose alienation of immovable property necessary for ensuring public needs for the determined compensation.

(2) If the decision referred to in Paragraph one of this Section is not taken within the specified period of time, the compensation shall be re-determined in accordance with the procedures laid down in Chapter III of this Law.

(3) After taking the decision referred to in Paragraph one of this Section, the right of first refusal and the repurchase right shall not be exercised.

[*14 April 2016 / See Paragraph 5 of Transitional Provisions*]

**Section 10.** (1) After taking the decision referred to in Section 9, Paragraph one of this Law, a notation shall be entered in the Land Register based on a notification of the authority regarding a prohibition to alienate and encumber the immovable property with the property rights and obligation rights without consent of the authority.

(2) The notation entered in the Land Register in accordance with Paragraph one of this Section shall be deleted on the basis of a notification of the authority. If the State or a local government has failed to corroborate property rights to the alienated immovable property in the Land Register within 18 months from taking of the decision referred to in Section 9, Paragraph one of this Law, the notation entered in the Land Register shall be deleted on the basis of a corroboration request of an owner of the immovable property.

(3) If a constitutional complaint has been filed with regard to the law on alienation of the respective immovable property, the notation entered in the Land Register in accordance with Paragraph one of this Law shall be deleted on the basis of a notification of the authority or a corroboration request of an owner of the immovable property after the Constitutional Court has held that the law on alienation of the respective immovable property fails to comply with the provisions of higher legal force.

**Section 11.** (1) The authority shall immediately, but not later than within 10 days after taking of the decision referred to in Section 9, Paragraph one of this Law, send to an owner of immovable property or, if his or her place of residence is not known, publish a notification in the official gazette *Latvijas Vēstnesis* inviting to notify, within 30 days from the day of receipt or publishing thereof in the official gazette *Latvijas Vēstnesis*, a possibility to conclude a contract for voluntary alienation of immovable property. The notification which is sent to the owner of immovable property shall additionally indicate the compensation determined by the authority and the type of the offered awarding of compensation.

(2) If it is envisaged to alienate only part of immovable property for public needs, the notification shall indicate the necessary share of immovable property and attach a graphic material showing boundaries of the part of the respective immovable property to be alienated.

(21) The authority shall also inform a person in favour of whom the pledge right has been corroborated to the immovable property of the sending of the notification referred to in Paragraph one of this Section and the content thereof. If a place of residence of this person is not known, the notification shall be published in the official gazette *Latvijas Vēstnesis*.

(3) If an owner of immovable property agrees to voluntary alienation of immovable property within the period of time referred to in Paragraph one of this Section, he or she and the authority shall conclude a contract for voluntary alienation of the immovable property within the period of time and for the compensation specified by this authority. The period of time determined by the authority shall be at least two months from the day when a draft contract is issued to the owner of the immovable property.

(4) The owner of the immovable property and the person in favour of whom the pledge right has been corroborated to the immovable property may agree on distribution of the compensation determined by the authority. If there are several persons in favour of whom the pledge right has been corroborated to the immovable property and the owner of the immovable property wishes to agree on distribution of the compensation determined by the authority, he or she shall reach an agreement with all persons.

(5) In the case referred to in Paragraph four of this Section, an amount to be disbursed to the person in favour of whom the pledge right has been corroborated to the immovable property shall be used with regard to early extinguishing of obligations without changing conditions for fulfilment of obligations, unless the parties agree otherwise.

(6) If the owner of the immovable property and the person in favour of whom the pledge right has been corroborated to the immovable property have agreed on distribution of the compensation determined by the authority, they shall, by conclusion of the contract referred to in Paragraph three of this Section, submit a notification to the authority regarding distribution of the compensation determined by the authority. The notification shall indicate what amount of the compensation determined by the authority is to be disbursed to the owner of the immovable property and the person in favour of whom the pledge right has been corroborated to the immovable property by specifying a payment account to which the specified amounts are to be transferred.

(7) A sworn notary shall certify authenticity of the signatures of the persons on the notification regarding distribution of the compensation determined by the authority or the notification shall be drawn up electronically and signed with a secure electronic signature.

[*14 April 2016; 31 March 2022*]

**Section 12.** (1) The authority and the owner of the immovable property shall agree on the following in the contract for voluntary alienation of immovable property:

1) the type of and procedures for awarding compensation;

2) [14 April 2016];

3) the procedures and periods of time for vacating the immovable property;

4) any other issues in order to ensure efficient acquisition of immovable property in possession of the State or local government.

(2) If the pledge right has been corroborated to the immovable property and a notification has been submitted to the authority regarding distribution of the compensation determined by the authority, the contract for voluntary alienation of immovable property shall lay down procedures for awarding compensation according to the notification.

(3) If the pledge right has been corroborated to the immovable property and a notification has not been received regarding distribution of the compensation determined by the authority by the day of conclusion of the contract for voluntary alienation of immovable property, the compensation determined by the authority shall be disbursed in accordance with the procedures laid down in Section 29.2 of this Law.

[*14 April 2016 / See Paragraph 5 of Transitional Provisions*]

**Section 12.1** In corroborating property rights in the Land Register to the immovable property which has been alienated on the basis of the contract, a notation of pledge right and prohibition associated thereto shall be deleted without consent of the person in favour of whom the pledge right has been corroborated to the immovable property.

[*14 April 2016 / See Paragraph 5 of Transitional Provisions*]

**Section 12.2** If an owner of immovable property fails to respond within the period of time referred to in Section 11, Paragraph one of this Law or the contract for voluntary alienation of immovable property is not concluded within the period of time specified in Section 11, Paragraph three of this Law and only a part of immovable property is necessary for public needs, the authority has the right to propose a cadastral survey and the registration of the immovable property object in the State Immovable Property Cadastre Information System for the part of immovable property to be alienated and the remaining part of immovable property without consent of the owner of immovable property. The disagreement over the arrangement of boundaries shall not be an obstacle to carry out the abovementioned actions. It shall be the obligation of the owner of immovable property to ensure access to the immovable property for the purpose of carrying out the abovementioned works.

[*31 March 2022*]

**Section 13.** If an owner of immovable property fails to respond within the period of time referred to in Section 11, Paragraph one of this Law or the contract for voluntary alienation of immovable property is not concluded within the period of time referred to in Section 11, Paragraph three of this Law, a State administration institution shall draw up a draft law on alienation of the respective immovable property, but a local government shall draw up a decision asking the Cabinet to submit to the *Saeima* for examination a draft law on alienation of the respective immovable property. A State administration institution or a local government shall also carry out the abovementioned activities if the immovable property has been encumbered with the lease right entered in the Land Register and assumption of such obligations is not proportionate to the ensuring of the respective public needs.

[*14 April 2016*]

**Section 14.** (1) In submitting a draft law to the *Saeima* on alienation of specific immovable property, information shall be attached regarding the immovable property to be alienated, the grounds for alienation of immovable property and determination of compensation, as well as the assessment of the circumstances referred to in Section 6, Paragraph one of this Law in case of alienation of part of immovable property. Documents confirming the abovementioned information shall be attached thereto additionally.

(2) If a draft law is not submitted by the Cabinet, the draft law may only be put forward for review at first reading after receipt of an opinion of the Cabinet assessing the need to alienate the respective immovable property for public needs. The Cabinet shall draw up and submit this opinion within the period of time specified by the responsible committee of the *Saeima*.

**Section 15.** Property rights to the immovable property which has been alienated on the basis of the law on alienation of the specific immovable property shall be transferred to the State or a local government, and these rights may be corroborated in the Land Register after the law on alienation of the specific immovable property has come into force and the authority has paid the compensation – has transferred it to the payment account specified by the owner of immovable property or deposited into a deposit account of a sworn bailiff, or deposited into a payment account in accordance with the procedures laid down in Section 33 of this Law.

[*14 April 2016; 31 March 2022*]

**Section 16.** (1) When corroborating property rights in the Land Register to the immovable property which has been alienated on the basis of the law on alienation of the specific immovable property, the respective immovable property shall be transferred in possession of the State or local government free from any encumbrances and charges which were imposed on the immovable property as a result of obligations (including by extinguishing all debt obligations, pledge rights, notations regarding the securing of a claim, insolvency notations registered to this immovable property, prohibitions of persons directing proceedings, encumbrances imposed as a condition when acquiring the property, as well as the rights corroborated on the basis of a lease, rental, maintenance, and inheritance contracts) and with regard to which the authority has not directly notified that it assumes the respective encumbrances and charges.

(2) Rental contracts concluded by the former owner of immovable property with regard to which the authority has been informed on the day of evaluation of immovable property shall be binding upon the authority.

(3) Encumbrances and charges resulting from the nature of the property shall be maintained with regard to this immovable property.

[*14 April 2016*]

**Section 17.** (1) The former owner of immovable property shall vacate the immovable property within the period of time specified in the contract for voluntary alienation of this property, provided that the authority has fulfilled its obligations under the respective contract, or within 20 days from the day when it has disbursed the compensation and provided the former owner of the immovable property with an equivalent residential space in accordance with Section 28 of this Law.

(2) If the former owner of immovable property fails to vacate the immovable property within the period of time determined in Paragraph one of this Section, the authority has the right to apply to a court with a statement of claim regarding being placed into possession of acquired immovable property.

[*14 April 2016*]

**Section 17.1** (1) If the authority establishes that the owner of the immovable property to be alienated is deceased, no inheritance matter has been initiated, or the period of time specified in the announcement of opening of the succession in the initiated inheritance matter has not expired, and also no trustee for the entirety of property of an estate has been appointed, the authority shall alienate the immovable property by applying the procedures provided for in this Law in cases where the place of residence of the owner of immovable property is not known to the authority and he or she has not provided information on his or her payment account.

(2) The authority shall invite those heirs who have accepted the estate and proved their right to inherit but have not corroborated the property rights to the immovable property to be alienated in the Land Register to participate in the process of alienation, but no contract for voluntary alienation of immovable property shall be concluded with them. In such cases, the authority shall alienate the immovable property on the basis of the law on the alienation of the specific immovable property and handle the compensation in conformity with the provisions of Section 33 of this Law.

(3) If a trustee for the entirety of property of an estate has been appointed, the authority shall, to the extent permitted by the Civil Law, apply to the trustee for the entirety of property of an estate the regulation which is applicable under this Law to the owner of the immovable property to be alienated.

(4) The authority shall obtain information on the heirs and also trusteeship established for the estate from a sworn notary and information on the appointed trustee for the entirety of property on an estate from the Orphan’s and Custody Court.

[*31 March 2022*]

**Chapter III**

**Determination and Contestation of the Compensation**

**Section 18.** (1) In order to inform an owner of immovable property of the need to alienate immovable property or part thereof for ensuring public needs and determine a compensation, the authority shall send a notification of the need to alienate this property or part thereof (hereinafter – the notification) to the owner of the immovable property and the person in favour of whom the pledge right has been corroborated to the immovable property, or, if their place of residence is not known, publish the notification in the official gazette *Latvijas Vēstnesis*, and in the case of alienation of a residential house, the notification shall be placed at the residential house to be alienated. If the place of residence of the owner of the immovable property is not known, the notification can also be sent to the address of the last known place of residence of the owner of the immovable property and the address of the location of the immovable property to be alienated.

(2) The notification shall include the following:

1) the information on those public needs for the ensuring of which the immovable property is necessary;

2) the information on the documents which confirm that the respective immovable property is necessary to implement a project envisaged for ensuring public needs;

3) the information on the necessary share of immovable property;

4) the invitation for the owner of the immovable property to participate in the determination of the compensation;

5) the invitation for the owner of the immovable property to provide information on the concluded rental contracts and other encumbrances;

6) any other information which the authority deems necessary to indicate.

(3) If it is necessary to alienate part of immovable property for public needs, the notification shall additionally include assessment of the circumstances referred to in Section 6, Paragraph one of this Law, a graphic material showing boundaries of the part of the respective immovable property to be alienated and an invitation for the owner of the immovable property to provide information regarding whether he or she agrees to the alienation of the immovable property shall be attached.

(4) The authority shall indicate in the notification the period of time within which the owner of the immovable property provides the information referred to in Paragraph two, Clauses 4 and 5 and Paragraph three of this Section. The period of time for the provision of information shall be at least 30 days from the day when the notification has been received or published in the official gazette *Latvijas Vēstnesis*.

(5) If it is necessary to re-determine the compensation in accordance with Section 9, Paragraph two of this Law, the authority has the right to include in the notification only the legal grounds for re-determination of the compensation and an invitation for the owner of the immovable property to participate in the determination of the compensation, as well as provide information on the concluded rental contracts and any other encumbrances within 30 days from the day when the notification has been received or published in the official gazette *Latvijas Vēstnesis*.

[*14 April 2016; 31 March 2022*]

**Section 19.** (1) If the owner of the immovable property fails to provide the information referred to in Section 18, Paragraph two of this Law within the specified period of time or notifies that he or she will not participate in the determination of the compensation, the immovable property shall be evaluated by taking into account the information which the authority may obtain without participation of the owner of the immovable property and which characterises this property as at the day of inspection thereof.

(2) If the value of the immovable property has changed as a result of activities carried out by the authority in performing design work in accordance with Section 8, Paragraph two, Clause 2 of this Law, then during evaluation of the immovable property the regard shall be had to the information which characterised this property on the day when the notification referred to in Section 18 of this Law was sent.

[*14 April 2016*]

**Section 20.** (1) The authority shall determine a compensation for the immovable property to be alienated by taking into consideration an evaluation of a certified appraiser of immovable property and losses caused to the owner of the immovable property.

(2) The Cabinet shall issue regulations governing procedures for determining a just compensation.

**Section 21.** The compensation shall be determined for the former owner of the immovable property which ensures a financial situation equivalent to his or her former financial situation.

**Section 22.** (1) The compensation shall consist of the market value of the immovable property and the compensation for losses caused to the owner of the immovable property in relation to alienation of immovable property, and if part of the immovable property is alienated – in relation to use of the alienated immovable property.

(2) The market value of the immovable property, except for the case referred to in Section 19, Paragraph two of this Law, shall be determined in accordance with the use of the immovable property initiated in compliance with the requirements of laws and regulations as at the day of inspection thereof, in accordance with Section 23, Paragraph two, Clause 5 of this Law.

(3) [14 April 2016]

(4) If the immovable property which is alienated for public needs is the only residential space owned by the owner of this immovable property where he or she lives on the day the notification has been sent, the authority shall increase the compensation by five per cent of the market value of the immovable property. The authority shall disburse this part of the compensation to the owners of the immovable property in the cases specified in Section 29.2 of this Law.

[*14 April 2016; 31 March 2022*]

**Section 23.** (1) When evaluating immovable property, the evaluation thereof shall indicate and analyse all the information characterising the immovable property, including the information provided by the owner of the immovable property.

(2) Immovable property shall be evaluated by assessing its:

1) composition, communications, facilities, technical condition and degree of wear and tear;

2) location and use of immovable property initiated in compliance with requirements of laws and regulations;

3) encumbrances and charges which will be maintained in accordance with Section 16 of this Law;

4) profitability;

5) possibilities of construction and economic use if the owner of the immovable property has carried out activities to use these possibilities.

**Section 24.** (1) In cases when required by the owner of the immovable property, the authority is entitled to, at its own expense, construct engineering structures and engineering communications or disburse a compensation which is necessary to eliminate losses and inconveniences that the former owner or other persons may incur in relation to the alienation of immovable property.

(2) Losses which the authority has intended to eliminate and eliminates in accordance with Paragraph one of this Section shall not be included in the amount of the compensation.

**Section 25.** (1) Losses caused to the owner of the immovable property shall be determined in accordance with the Civil Law.

(2) In any case, the following shall be deemed as the losses:

1) the expenses incurred by the owner of the immovable property as a result of alienation of this property (moving expenses, notarial expenses related to the acquisition of another immovable property, corroboration thereof in the Land Register and re-registration of encumbrances and charges of the alienated immovable property, State fees, office fees, and other expenses) in their actual amount but not exceeding average prices of the area;

2) the reduction in the value of the remaining part of the immovable property and compensation for changes in its use (loss of access or expenses related to establishment of new access, changes with regard to encumbrances and charges, restrictions with regard to the use specified in the local government spatial plan, and other changes) in case of alienation of part of the immovable property.

**Section 26.** (1) The authority shall disburse the compensation in the form of non-cash settlement or, upon agreement with the owner of the immovable property, use another fair type of awarding compensation:

1) offering other equivalent immovable property;

2) disbursing part of the compensation in cash and compensating for the other part by means of another immovable property;

3) using any other type of awarding compensation which is favourable to both parties, except for the case when the pledge right has been corroborated to the immovable property.

(2) If the pledge right has been corroborated to the immovable property, consent of the person in favour of whom the pledge right has been corroborated to the immovable property shall be required in the cases referred to in Paragraph one, Clauses 1 and 2 of this Law. If the consent has not been received, the authority shall disburse the compensation in the form of non-cash settlement. A notification regarding distribution of the compensation determined by the authority shall also be required in the case referred to in Paragraph one, Clause 2 of this Section.

[*14 April 2016*]

**Section 27.** (1) The owner of the immovable property may contest amount of the compensation determined by the authority before court in accordance with the claim procedures after taking of the decision referred to in Section 9, Paragraph one of this Law, but not later than within 20 days from the day the law on alienation of the specific immovable property has come into force.

(2) The court shall examine a dispute regarding the compensation determined by the authority and amount of the compensation to be disbursed in accordance with the procedures laid down in the Civil Procedure Law.

(3) When determining the compensation, the court shall take into account the condition of the immovable property as at the day of inspection thereof, except for the case referred to in Section 19, Paragraph two of this Law. The court shall determine the compensation as at the day when the compensation has been determined by the authority.

[*14 April 2016*]

**Section 28.** (1) Unless the authority agrees with the owner of the immovable property otherwise or unless another residential space is granted as a compensation for alienation of immovable property, the authority shall be obliged to provide the owner of the immovable property with an equivalent residential space, provided that in the alienated residential space:

1) its former owner lived and had declared it as his or her place of residence as at the day of alienation and at the day of taking of the decision referred to in Section 9, Paragraph one of this Law;

2) its former owner lived and had declared it as his or her place of residence as at the day of alienation, and provided that he or she did not own any other residential space as at the day of alienation.

(2) The right to an equivalent residential space shall be maintained until the day when the former owner of the immovable property acquires another residential space but not longer than a year after disbursement of the compensation or for a period of time until the compensation is deposited into an account of a sworn bailiff. The authority shall cover a rental payment for the provided residential space, if any, in the relevant period of time.

(3) The former owner of the immovable property shall lose the right to an equivalent residential space, provided that he or she has been offered at least three different equivalent residential spaces and he or she has refused these offers or has failed to respond to the received offers within the period of time specified by the authority.

[*14 April 2016*]

**Chapter IV**

**Disbursement of Compensation**

**Section 29.** (1) The authority shall disburse the compensation immediately, but not later than within 20 days after the contract for voluntary alienation of immovable property has been concluded or the law on alienation of the specific immovable property has come into force.

(2) If a prohibition notation regarding imposition of attachment on the property has been entered in the respective division of the Land Register with regard to the immovable property, the authority shall coordinate disbursement of the compensation with the person directing proceedings.

[*14 April 2016 / See Paragraph 5 of Transitional Provisions*]

**Section 29.1** (1) If a contract for voluntary alienation of immovable property has been concluded between the owner of the immovable property and the authority, the authority shall disburse the compensation in accordance with the procedures for awarding compensation laid down in the contract also in cases when the pledge right has been corroborated to the immovable property and a notification regarding distribution of the compensation determined by the authority has been received by the conclusion of the contract for voluntary alienation of immovable property.

(2) If the immovable property has been alienated on the basis of the law on alienation of the specific immovable property and the pledge right has not been corroborated to this immovable property, the authority shall transfer the compensation to a payment account specified by the owner of the immovable property or deposit it into a payment account in accordance with Section 33 of this Law.

[*14 April 2016; 31 March 2022*]

**Section 29.2** (1) If the pledge right has been corroborated to the immovable property and, by the conclusion of the contract for voluntary alienation of immovable property, a notification regarding distribution of the compensation determined by the authority has not been received or the immovable property has been alienated on the basis of the law on alienation of the specific immovable property, the compensation determined by the authority shall be disbursed in accordance with the procedures laid down in this Section.

(2) The authority shall disburse a part of the compensation determined by the authority which consists of the market value of the immovable property by depositing it into an account of a sworn bailiff for three years, and notify thereof the former owner of the immovable property and the person in favour of whom the pledge right has been corroborated to the immovable property. The authority shall submit to the sworn bailiff an application for depositing the compensation into the account of the sworn bailiff and a copy of division of the Land Register of the immovable property for the purpose of disbursement of part of the determined compensation by depositing it into account of the sworn bailiff. The application shall indicate information on the owner of the immovable property and the person in favour of whom the pledge right has been corroborated to the immovable property, an amount of the compensation to be deposited, and the payment account specified by the owner of the immovable property and the payment account of the authority.

(3) The authority shall disburse a part of the compensation determined by the authority which consists of the compensation for losses caused to the owner of the immovable property in relation to alienation of the immovable property and, in case of alienation of part of the immovable property, in relation to the use of the alienated immovable property, to the former owner of the immovable property to the payment account specified by him or her, or deposit it into a payment account in accordance with Section 33 of this Law.

(4) A sworn bailiff shall perform disbursement from a deposit account prior to the period of time referred to in Paragraph two of this Section on the basis of an execution document and taking into account that the deposited compensation is to be distributed in accordance with the same procedures as laid down in the Civil Procedure Law for distributing the money received from the sale of immovable property encumbered with a pledge, or on the basis of a notification regarding distribution of the compensation determined by the authority. Disbursement based on the notification regarding distribution of the compensation determined by the authority shall only be acceptable in the amount of the sum which is due to the persons referred to in the notification after covering claims that are to be given preference in comparison with the claims of these persons.

(5) If an attachment is imposed on property of the former owner of the immovable property, the compensation deposited into the account of the sworn bailiff shall be transferred to the person directing proceedings to act in accordance with provisions of the Criminal Procedure Law.

(6) The compensation deposited into the account of the sworn bailiff shall be transferred to an administrator of insolvency proceedings to act in accordance with provisions of the Insolvency Law, provided that insolvency proceedings have been declared with regard to the former owner of the immovable property. Extinguishing of the pledge right in the cases specified in this Law shall not, in itself, affect the right of the person, in favour of whom the pledge right was corroborated to the immovable property, as a creditor in insolvency proceedings in compliance with the principle of the preservation of rights enforced in Section 6 of the Insolvency Law.

(7) At the beginning of the last year of the period of time referred to in Paragraph two of this Section, the sworn bailiff shall send to the declared place of residence or legal address of the former owner of the immovable property and the person, in favour of whom the pledge right has been corroborated to the immovable property, an invitation to agree on distribution of the compensation and to submit a notification regarding distribution of the compensation determined by the authority, and inform of the consequences referred to in Paragraph eight of this Section and Section 29.3.

(8) If the compensation deposited into the account of the sworn bailiff has not been disbursed in the cases provided for in this Law prior to expiry of the period of time referred to in Paragraph two of this Section, the sworn bailiff shall disburse the deposited compensation or remaining part thereof to the former owner of the immovable property to the account specified in the application of the authority for depositing compensation into account of the sworn bailiff. If the account of the former owner of the immovable property is not known, the compensation shall be transferred back to the authority to act in accordance with Section 33 of this Law.

[*14 April 2016; 31 March 2022*]

**Section 29.3** Starting from the last year of the period of time referred to in Section 29.2, Paragraph two of this Law, the restrictions referred to in Section 7.1 of this Law shall not be applicable to the person in favour of whom the pledge right has been corroborated to the immovable property.

[*14 April 2016 / See Paragraph 5 of Transitional Provisions*]

**Section 30.** [14 April 2016]

**Section 31.** [14 April 2016]

**Section 32.** [14 April 2016]

**Section 33.** If the place of residence of the former owner of the immovable property is not known or he or she has failed to provide information on his or her payment account, the compensation shall be transferred to the payment account opened for this purpose and, upon request, disbursed to the former owner of the immovable property, his or her heirs or successors. If the former owner of the immovable property, his or her heirs or successors have not asked to disburse the compensation within 10 years from the day of depositing thereof, the compensation shall be transferred to the State or local government budget.

[*31 March 2022*]

**Chapter V**

**Transfer Back of the Alienated Immovable Property**

**Section 34.** (1) If the authority recognises the respective immovable property or part thereof as unnecessary within a year from the day when property rights of the State or a local government to the alienated immovable property have been corroborated in the Land Register, the former owner may recover the alienated immovable property by repaying the received compensation.

(2) If improvements have been made to the alienated immovable property, the former owner of the immovable property may exercise the rights referred to in Paragraph one of this Section by reimbursing the authority for expenses of improvements with which the immovable property has been transferred back.

(3) After expiry of the period of time referred to in Paragraph one of this Section, the former owner has the right of first refusal to the alienated immovable property.

**Section 35.** The authority shall send a notification regarding a possibility to recover the immovable property to the former owner of the immovable property or, if his or her place of residence is not known, publish it in the official gazette *Latvijas Vēstnesis*. The notification shall indicate the composition of the immovable property, expenses of the improvements made to the immovable property which will be preserved, encumbrances and charges, as well as specify a period of time of 30 days for provision of reply from the day when the notification is received or published in the official gazette *Latvijas Vēstnesis*.

[*14 April 2016*]

**Section 36.** If the former owner of the immovable property fails to respond within the period of time specified in Section 35 of this Law or does not wish to recover the immovable property, this property shall remain in possession of the State or a local government.

**Section 37.** (1) If the former owner of the immovable property exercises the rights referred to in Section 34 of this Law, the authority shall, within three months from the day of conclusion of the contract for transfer back of the immovable property to its former owner (unless parties to the contract agree otherwise), be obliged to ensure that the immovable property to be transferred back corresponds to the composition of the immovable property specified in the notification referred to in Section 35 of this Law.

(2) The authority shall cover expenses related to the corroboration of the property rights to the immovable property to be transferred back in the Land Register in the name of the former owner of such property.

**Section 38.** Exercise of the rights referred to in Section 34 of this Law may not, in itself, serve as a basis for disbursement of the compensation determined by the authority from the deposit account of the sworn bailiff.

[*14 April 2016*]

**Chapter VI**

**Alienation of Lands and Structures Not Entered in the Land Register**

[*31 March 2022*]

**Section 39.** If land is necessary for public needs the rights to which the person has acquired within the framework of the land reform and which has not yet been entered in the Land Register, the authority shall alienate it in accordance with the provisions of Chapters I, II, III, IV, and V of this Law, unless otherwise specified in this Chapter.

[*31 March 2022*]

**Section 40.** (1) In the cases referred to in Section 39 of this Law, the authority shall send a notification to a land user registered in the State Immovable Property Cadastre Information System regarding which the opinion on the restoration of the property rights has been adopted or to the lawful possessor regarding which the decision on the restoration of property rights or the transfer of land into ownership in return for payment has been taken or the judgment on the restoration or recognition of the property rights has been rendered.

(2) The notification shall, in addition to what is provided for in Section 18 of this Law, include an invitation for the land user or lawful possessor to enter the land in the Land Register within a reasonable period of time determined by the authority which shall be not less than three months or to authorise the authority, within a period not exceeding 30 days, to carry out all the necessary actions and enter the land necessary for public needs in the Land Register in the name of the land user or lawful possessor, in which case the authorised authority shall cover all expenses. After the land has been entered in the Land Register in the name of the respective land user or lawful possessor, the authority shall carry on with the alienation.

[*31 March 2022*]

**Section 41.** If the land is not entered in the Land Register in the cases specified in Section 40, Paragraph two of this Law, the authority shall have the right to perform all the necessary actions and obtain all the required documents to enter the respective land necessary for public needs in the Land Register in the name of the land user or lawful possessor and draw up a draft law on alienation of the land necessary for public needs. The authority shall immediately enter the abovementioned land in the Land Register in the name of the land user or lawful possessor, while also entering in the Land Register a notation regarding a prohibition to alienate and encumber the immovable property with the property rights and obligation rights without consent of the authority, after the Cabinet or local government has taken the decision referred to in Section 9, Paragraph one of this Law with regard to the relevant land. The Cabinet shall examine the draft law drawn up by the State administration institution by taking the decision referred to in Section 9, Paragraph one of this Law.

[*31 March 2022*]

**Section 42.** The cadastral survey shall be carried out for the entire plot of land also if only part thereof is necessary or there is a dispute on the boundary arrangement.

[*31 March 2022*]

**Section 43.** If due to the actions of the authority the information on the land specified in the decision on the restoration of property rights or the transfer of land into ownership for payment no longer corresponds to the current cadastral data, the authority shall inform the State Land Service thereof. The State Land Service shall amend the respective decision and inform the authority thereof, and also in cases where the decision on the transfer of land into ownership for payment is amended it shall inform the authority determined by the Cabinet to which the State administration task of concluding contracts for redemption (purchase) of land in rural areas and cities is delegated. Contesting or appeal of the decision shall not suspend its validity.

[*31 March 2022*]

**Section 44**. In the cases referred to in Section 41 of this Law, the compensation shall consist of the market value of the land necessary for public needs and the compensation for the losses due to the reduction in the value of the remaining part of land and changes in its use.

[*31 March 2022*]

**Section 45.** (1) In the cases referred to in Section 40, Paragraph two of this Law when the authority acts on the basis of an authorisation, and also in the cases referred to in Section 41 when the decision on the transfer of land into ownership for payment has been taken in relation to the lawful land possessor and the obligations laid down in the contract for redemption (purchase) of land in rural areas and cities have not been fully fulfilled or the contract for redemption (purchase) of land in rural areas and cities has not yet been concluded, this shall not be an obstacle to enter the land necessary for public needs in the Land Register.

(2) In the cases referred to in Paragraph one of this Section, when determining the compensation, the authority shall take into account:

1) if the payment term specified in the contract for redemption (purchase) of land in rural areas and cities has not yet expired and the payment obligations specified therein have not been fully fulfilled, the authority shall use the part of compensation which consists of the market value of the land primarily for the fulfilment of the abovementioned obligations;

2) if the contract for redemption (purchase) of land in rural areas and cities has not yet been concluded, the authority shall disburse the part of compensation which consists of the market value of the land in the amount by which the market value of the land exceeds the redemption (purchase) amount determined in the decision on the transfer of land into ownership for payment.

(3) The authority shall inform the authority determined by the Cabinet to which the State administration task of concluding contracts for redemption (purchase) of land in rural areas and cities is delegated of the determined amount and disbursement of the compensation.

(4) In the cases referred to in Paragraph one of this Section, when the authority enters the land in the Land Register on the basis of an authorisation in conformity with the provisions of Section 40, Paragraph two of this Law, the requirements laid down in Section 10 of this Law shall apply by entering a notation concurrently with the entering of the land in the Land Register.

[*31 March 2022*]

**Section 46.** If the authority establishes that the land user or lawful possessor is deceased, it shall act in accordance with the procedures laid down in Section 17.1 of this Law and the provisions of this Chapter, and it shall enter the land necessary for public needs in the Land Register in the name of the State or a local government.

[*31 March 2022*]

**Section 47.** If a structure which is not entered in the Land Register but must be entered in the Land Register in accordance with the laws and regulations is necessary for public needs and its lawful possessor is registered in the State Immovable Property Cadastre Information System, and the authority establishes that it is possible to obtain the documents substantiating the property rights of these structures on the basis of which the respective structure can be entered in the Land Register in accordance with the laws and regulations regarding the entering of the immovable property in the Land Registers, the authority shall apply the regulation included in this Chapter. The authority shall cover the expenses of the cadastral survey of structures from the determined compensation for the structure.

[*31 March 2022*]

**Transitional Provisions**

1. With the coming into force of this Law, the following are repealed:

1) the law On Expropriation of Immovable Property for State or Public Needs (*Latvijas Republikas Augstākās Padomes un Valdības Ziņotājs*, 1992, Nos. 39/40/41; *Latvijas Republikas Saeimas un Ministru Kabineta Ziņotājs*, 2005, No. 14);

2) the decision of the Supreme Council of the Republic of Latvia dated 15 September 1992, On Procedures for Coming into Force of the Law of the Republic of Latvia On Expropriation of Immovable Property for State or Public Needs (*Latvijas Republikas Augstākās Padomes un Valdības Ziņotājs*, 1992, Nos. 39/40/41; *Latvijas Republikas Saeimas un Ministru Kabineta Ziņotājs*, 1997, No. 3).

2. This Law shall not be applicable to the procedures for alienating immovable property in which an agreement has been reached on the essential elements of a contract for voluntary alienation of immovable property for public need until the day of coming into force of this Law.

3. Legal relationships resulting from the procedures for expropriating immovable property initiated until the day of coming into force of this Law shall be discussed in accordance with the law On Expropriation of Immovable Property for State or Public Needs.

4. If, until the day of coming into force of this Law, the law on expropriation of the specific immovable property has been adopted and has come into force, the respective immovable property shall be expropriated and any disputes resulting from alienation of this property shall be settled in accordance with the law On Expropriation of Immovable Property for State or Public Needs.

5. If the decision of the Cabinet or a local government referred to in Section 9 of this Law has been taken until 31 May 2016, then the alienation procedures which were in force until 31 May 2016 shall be applicable to the alienation of such immovable property for public needs, except for the following cases:

1) if the authority and the owner of the immovable property have not yet concluded a contract for voluntary alienation of immovable property, then the wording of Section 7.1, Section 11, Paragraphs four, five, six, and seven, Sections 12, 12.1, 29, 29.1, 29.2, and 29.3 of this Law which is in force from 1 June 2016 shall be applicable to the procedures for concluding a contract for alienation of immovable property and disbursing compensation;

2) if the law on expropriation of the specific immovable property comes into force after 1 June 2016, the authority shall disburse the compensation in accordance with the procedures laid down in Sections 29, 29.1, 29.2, and 29.3 of this Law. If the authority and the owner of the immovable property agree on voluntary alienation of immovable property until adoption of the law on alienation of the specific immovable property, the wording of Section 7.1, Section 11, Paragraphs four, five, six, and seven, Sections 12, 12.1, 29, 29.1, 29.2, and 29.3 of this Law which is in force from 1 June 2016 shall be applicable to the procedures for concluding a contract for alienation of immovable property and disbursing compensation.

[*14 April 2016*]

6. The authority shall also disburse the part of compensation referred to in Section 22, Paragraph four of this Law in cases where the immovable property has already been alienated for public needs and the former owner of the immovable property the alienation of which was commenced after 1 July 2017 has submitted to the authority an application for the disbursement of this part of compensation.

[*31 March 2022*]

The Law shall come into force on 1 January 2011.

The Law has been adopted by the *Saeima* on 14 October 2010.

President V. Zatlers

Rīga, 3 November 2010