

Fifty-seventh  
Legislative Assembly  
of North Dakota

**SENATE BILL NO. 2286**

Introduced by

Senators Fischer, Cook, Lee

Representatives Aarsvold, Delmore, Hawken

1 A BILL for an Act to create and enact a new section to chapter 57-28 of the North Dakota  
2 Century Code, relating to liens against other property for costs incurred by a county in tax  
3 foreclosures; to amend and reenact section 57-28-09 of the North Dakota Century Code,  
4 relating to issuance of tax deeds to political subdivisions on property forfeited in tax  
5 foreclosures; and to provide an effective date.

6 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

7 **SECTION 1. AMENDMENT.** Section 57-28-09 of the North Dakota Century Code is  
8 amended and reenacted as follows:

9 **57-28-09. Tax deed to be issued.** After the date of foreclosure for property with an  
10 unsatisfied tax lien, the county auditor shall issue a tax deed to the county; ~~or,~~ in cases in which  
11 the state engineer has made an assessment against the property under section 61-03-21.3, the  
12 county auditor shall issue a tax deed to the state or, if the property was sold by another political  
13 subdivision of this state within the ten years preceding the foreclosure, the county auditor shall  
14 issue a tax deed to that political subdivision. The tax deed passes the property in fee to the  
15 county ~~or,~~ the state, or political subdivision, free from all encumbrances except installments of  
16 special assessments certified to the county auditor or which may become due after the service  
17 of the notice of foreclosure of tax lien and except for a homestead credit for special  
18 assessments lien provided for in section 57-02-08.3. While the county ~~or,~~ the state, or political  
19 subdivision holds title under a tax deed, it is not liable for the payment of any installments of  
20 special assessments which become due unless the board of county commissioners ~~or,~~ the  
21 state, or political subdivision has leased or contracted to sell the property. A deed issued under  
22 this section is prima facie evidence of the truth and regularity of all facts and proceedings  
23 before the execution of the deed.

1           **SECTION 2.** A new section to chapter 57-28 of the North Dakota Century Code is  
2 created and enacted as follows:

3           **County lien for costs of improvement to distrust property forfeited in tax**  
4 **foreclosure.**

- 5           1. If property sold by the county under this chapter is sold for less than the total  
6 amount of the taxes due and the costs to improve salability of the property which  
7 were incurred by the county in cleanup, repairs, demolition, or other action  
8 necessary because of damage, neglect, or waste by the prior owner, those costs  
9 incurred by the county to improve salability which were not recovered by the county  
10 from the sale constitute a lien on any real property owned, or later acquired, in the  
11 county by that prior owner.
- 12          2. The county auditor shall extend and enter upon the tax list of real estate then in the  
13 hands of the county treasurer, opposite the description of real estate designated by  
14 the board of county commissioners which belongs to the prior owner, the year for  
15 which an obligation to the county exists under this section and the amount of that  
16 obligation. The entry must be made without regard to any prior payment of real  
17 estate taxes on those properties and the treasurer may not thereafter issue any  
18 receipt in full for real estate taxes on those properties without making collection at  
19 the same time of the obligation under this section. A taxpayer holding a specific  
20 superior lien on those properties ahead of a lien under this section is entitled to tax  
21 receipts without regard to nonpayment of obligations under this section.
- 22          3. If the obligor under this section later acquires any real property in the county,  
23 obligations under this section may be entered in like manner upon any subsequent  
24 tax list against those properties, and from the time of entry constitute a lien on that  
25 property.

26           **SECTION 3. EFFECTIVE DATE.** This Act is effective for property for which a tax deed  
27 is issued after December 31, 2000.