

**FIRST ENGROSSMENT
with Senate Amendments**

Fifty-eighth
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1492

Introduced by

Representatives Monson, Froelich, D. Johnson, Nelson

Senators Nichols, Trenbeath

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 filing of tax delinquencies in the central notice system; and to amend
3 and reenact subsection 1 of section 54-09-09 and section 57-28-15 of the North Dakota
4 Century Code, relating to bidders at annual sales of land acquired by tax deeds and tax
5 delinquency filings in the central notice system.

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

7 **SECTION 1. AMENDMENT.** Subsection 1 of section 54-09-09 of the North Dakota
8 Century Code is amended and reenacted as follows:

9 1. The secretary of state shall maintain a computerized central indexing system that
10 contains the information filed with the office of the secretary of state or with any of
11 the offices of the recorder in this state pursuant to sections 35-13-02, 35-17-04,
12 35-20-16, 35-30-02, 35-31-02, 35-34-04, 35-34-06, 41-09-72, section 3 of this Act,
13 57-38-49, 57-39.2-13, 57-40.2-16, 57-40.3-07.1, 57-43.1-17.4, 57-43.2-16.3, and
14 57-51-11. The system must connect each recorder's office to the secretary of
15 state's office through the information technology department. The system must
16 allow access to financing statement information by equipment that conforms to
17 requirements determined by the information technology department. The system
18 must have safeguards to allow access to information that is in the system relating
19 to security interests or liens and to prevent unauthorized alteration or deletion of
20 that information and to allow access to other information in the system as
21 prescribed by the secretary of state.

22 **SECTION 2. AMENDMENT.** Section 57-28-15 of the North Dakota Century Code is
23 amended and reenacted as follows:

1 **57-28-15. Annual sale at auction - Sale price - Terms of payment.** The annual sale
2 must be conducted in the following manner:

- 3 1. Each parcel of land must be sold at auction to the highest qualified bidder for no
4 less than the minimum sale price as fixed before the sale. The sale may be made
5 either for cash or one-fourth of the purchase price in cash, and the balance in
6 equal annual installments over a period of not more than ten years. The purchaser
7 may pay any or all annual installments with interest before the agreed due date of
8 the installments.
- 9 2. If the sale is for cash, the purchaser shall promptly pay the amount bid to the
10 county treasurer.
- 11 3. If the purchase price is to be paid in installments, the purchaser shall pay the first
12 installment to the county treasurer and be given a contract for deed setting forth
13 the terms of the sale. The contract for deed must be executed by the purchaser,
14 the chairman of the board of county commissioners, and the county auditor. The
15 contract must be in a form prescribed by the state tax commissioner. The contract
16 must give the county the right to cancel the contract by resolution and due notice
17 upon default by the purchaser.
- 18 4. The original contract for deed must be filed with the county treasurer, who shall
19 record upon it all payments made by the purchaser. The interest rate for the
20 contract must be established by the board of county commissioners at no more
21 than twelve percent.
- 22 5. Upon completion of a cash sale or payments under a contract for deed, the county
23 auditor shall execute and deliver a deed conveying to the purchaser the entire
24 interest of the county in the property.
- 25 6. Upon the execution and delivery of the deed or contract for deed, the property
26 becomes taxable to the purchaser.
- 27 7. A person is unqualified to be the highest bidder for property if the person owes
28 delinquent taxes to any county.

29 **SECTION 3.** A new section to chapter 57-28 of the North Dakota Century Code is
30 created and enacted as follows:

- 1 **Notice of tax delinquency - Central indexing system.** The secretary of state shall
- 2 prescribe a form to be used by county officials when notices of delinquent taxes owed to a
- 3 county are entered in the central indexing system.