

**Fifty-seventh Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 9, 2001**

SENATE BILL NO. 2286
(Senators Fischer, Cook, Lee)
(Representatives Aarsvold, Delmore, Hawken)

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

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

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

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

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

County lien for costs of improvement to distressed property forfeited in tax foreclosure.

1. If property sold by the county under this chapter is sold for less than the total amount of the taxes due and the costs to improve salability of the property which were incurred by the county in cleanup, repairs, demolition, or other action necessary because of damage, neglect, or waste by the prior owner, those costs incurred by the county to improve salability which were not recovered by the county from the sale constitute a lien on any real property owned, or later acquired, in the county by that prior owner.
2. The county auditor shall extend and enter upon the tax list of real estate then in the hands of the county treasurer, opposite the description of real estate designated by the board of county commissioners which belongs to the prior owner, the year for which an obligation to the county exists under this section and the amount of that obligation. The entry must be made without regard to any prior payment of real estate taxes on those properties and the treasurer may not thereafter issue any receipt in full for real estate taxes on those properties without making collection at the same time of the obligation under this section. A taxpayer holding a specific superior lien on those properties ahead of a lien under this section is entitled to tax receipts without regard to nonpayment of obligations under this section.

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

President of the Senate

Speaker of the House

Secretary of the Senate

Chief Clerk of the House

This certifies that the within bill originated in the Senate of the Fifty-seventh Legislative Assembly of North Dakota and is known on the records of that body as Senate Bill No. 2286.

Senate Vote: Yeas 44 Nays 3 Absent 2

House Vote: Yeas 90 Nays 5 Absent 3

Secretary of the Senate

Received by the Governor at _____ M. on _____, 2001.

Approved at _____ M. on _____, 2001.

Governor

Filed in this office this _____ day of _____, 2001,

at _____ o'clock _____ M.

Secretary of State