

## STATEMENT OF PURPOSE

### RS24681

The purpose of this legislation is to clarify the scope and effect of Idaho's statutes governing tax deeds. In the case of *Regan v. Owen*, the Idaho Supreme Court addressed whether a tax deed issued pursuant to Section 63–1009, Idaho Code, has the effect of extinguishing an otherwise valid private easement across the subject property. Similar legislative language exists with respect to counties in Section 31-808, Idaho Code, with respect to irrigation entities in Section 43-720, Idaho Code, and with respect to cities in Section 50-1823, Idaho Code. The Court did not decide the issue, but remanded to a lower court. The lower court subsequently ruled that, despite the harsh result, the statute has this effect. While a private access easement was at issue there, the reasoning would also result in the elimination of public utility easements, ditch rights, public highways and rights-of-way, conservation easements, and all manner of third party rights in the land. By this legislation, the Idaho Legislature modifies that conclusion. This bill does the following: (i) requires notice to other parties of interest in order to prime their interest; and (ii) preserves certain interests that lawfully exist prior to the notice of deficiency.

### FISCAL NOTE

No fiscal impact.

#### Contact:

Senator Bart M. Davis  
(208) 332-1000