

IN THE SENATE

SENATE BILL NO. 1337, As Amended

BY RESOURCES AND ENVIRONMENT COMMITTEE

AN ACT

RELATING TO IRRIGATION DISTRICTS; AMENDING SECTION 43-712, IDAHO CODE, TO REVISE PROVISIONS REGARDING REDEMPTION OF LAND; AMENDING SECTION 43-716, IDAHO CODE, TO REVISE PROVISIONS REGARDING DELINQUENT ASSESSMENTS AND TAX DEEDS; AMENDING SECTION 43-1508, IDAHO CODE, TO REVISE PROVISIONS REGARDING THE DISPOSITION OF PROPERTIES ACQUIRED BY TAX TITLE; AND DECLARING AN EMERGENCY AND PROVIDING AN EFFECTIVE DATE.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 43-712, Idaho Code, be, and the same is hereby amended to read as follows:

~~43-712. DELINQUENT ASSESSMENTS -- REDEMPTION OF LAND. After delinquency and prior to three (3) years from the date of entry of such delinquency, and thereafter until assessment deed is issued by the treasurer, (1) At any time prior to the termination of the redemption period as provided in section 43-1508, Idaho Code, redemption of lands the land may be made by paying to the treasurer an amount equal to: the delinquent assessments thereon, plus the penalty of two percent (2%) thereon, together with interest at the rate of one percent (1%) per month from the date of delinquency entry until paid.~~

(a) The amount of all unpaid assessments, including, where applicable, those assessments for the year or years following the issuance of the tax deed, together with all penalties and interest thereon;

(b) All costs associated with the assessment and delinquency processes of the irrigation district;

(c) The costs incurred for the issuance of the redemption deed from the district; and

(d) All other fees and charges for redemption otherwise prescribed by law.

(2) Upon redemption, the treasurer shall note the redemption on the delinquent delinquency list and shall issue a redemption certificate in triplicate, showing the:

(a) The name of the redemptioner, the;

(b) The amount paid in redemption,;

(c) A description of lands redeemed,;

(d) The year in which assessment was levied, and the; and

(e) The delinquency entry number, delivering one (1) copy.

(3) The treasurer shall provide a copy of the redemption certification to the redemptioner, and in case.

(4) If the land being redeemed has been included in a list filed with the county recorder, he certified delinquency list:

1        (a) The treasurer shall file one (1) copy of the redemption certificate  
 2        with the county recorder of the county in which the land is located, and  
 3        thereupon the; and

4        (b) The county recorder shall enter the redemption opposite the corre-  
 5        sponding entry in his record of delinquent assessments, for which ser-  
 6        vice he. The county recorder shall be entitled to charge a fee as pro-  
 7        vided by section 31-3205, Idaho Code, which fee shall be added to the  
 8        amount necessary for redemption paid by the redemptioner, and be trans-  
 9        mitted to the county recorder by the district treasurer.

10        ~~If the property on which the assessments are delinquent is not redeemed~~  
 11        ~~within the time hereinbefore limited, and if the assessment deed for the~~  
 12        ~~delinquency is made by the treasurer to the district, such property may~~  
 13        ~~nevertheless be redeemed by the owner thereof, or by any party in interest,~~  
 14        ~~up to the time a sale of the property is made by the board of directors and~~  
 15        ~~deed or contract for sale is delivered to the purchaser, by paying to the~~  
 16        ~~district treasurer the amount of all unpaid assessments levied or assessed~~  
 17        ~~against the said property to the time of redemption together with penalty and~~  
 18        ~~interest thereon and also by paying assessments for the year or years since~~  
 19        ~~the date of issuance of assessment deed to the district together with penalty~~  
 20        ~~and interest thereon, and all costs incurred for a sale of the property by~~  
 21        ~~the district, and the sum of two dollars (\$2.00) for redemption deed from the~~  
 22        ~~district, and all other fees and charges for redemption otherwise prescribed~~  
 23        ~~by law. All assessments accruing against such property subsequent to the~~  
 24        ~~issuance of deed to the district shall be extended by the treasurer and be~~  
 25        ~~computed according to the authorized levies for the year or years to be ex-~~  
 26        ~~tended. Upon payment to the district treasurer of the amounts required to be~~  
 27        ~~paid as herein provided, the district treasurer must issue a redemption deed~~  
 28        ~~to the redemptioner.~~

29        SECTION 2. That Section 43-716, Idaho Code, be, and the same is hereby  
 30        amended to read as follows:

31        43-716. DELINQUENT ASSESSMENTS -- ISSUANCE OF TAX DEED -- GENERAL PRO-  
 32        VISIONS REMOVAL OF WATER FROM LAND. If the property is not redeemed (1) If the  
 33        right of redemption provided in section 43-712, Idaho Code, is not exercised  
 34        within three (3) years from the date of delinquency entry, the treasurer of  
 35        the district or his successor in office must is vested with the discretion,  
 36        after considering such factors as the amount of delinquent assessments, the  
 37        costs associated with owning the land, whether or not the land is reason-  
 38        ably capable of delivery of water from the district, whether the land is odd-  
 39        lot, is irregularly shaped, is a remnant, or has no value to an adjoining  
 40        landowner, and whether there may be any existing or ongoing liability asso-  
 41        ciated with the land, to:

42        (a) Upon compliance with sections 43-717 and 43-718, Idaho Code, make  
 43        to the district or to the owner of the tax certificate, a tax deed to  
 44        the property. However, the district or the owner of the tax certificate  
 45        shall not be entitled to a tax deed for such property until; (1) a no-  
 46        tice of pending issuance of tax deed be served, as required in section  
 47        43-717, Idaho Code; and (2) an affidavit of compliance be filed, as re-  
 48        quired in section 43-718, Idaho Code.;

1 (b) Upon adoption of a resolution by the board, remove the water from  
 2 the land, as provided in subsection (2) of this section; or

3 (c) Continue to assess the land, including levying future assessments,  
 4 penalties, and interest as provided in this chapter.

5 (2) The following provisions shall apply to a decision by the board to  
 6 proceed pursuant to subsection (1) (b) of this section:

7 (a) The district shall provide notice of its election to remove the  
 8 water in the same manner as the notice provided for in section 43-717,  
 9 Idaho Code, which shall provide a date, time, and place upon which re-  
 10 demption shall be made, or the water right shall vest in the irrigation  
 11 district; and

12 (b) If the right to redemption is not exercised, as provided in section  
 13 43-712, Idaho Code, then all outstanding assessments, penalties, in-  
 14 terest, or other charges shall be considered canceled, the land shall no  
 15 longer be entitled to water from the district, and the water apportioned  
 16 to said land may be apportioned to different lands within the district's  
 17 authorized service area.

18 SECTION 3. That Section 43-1508, Idaho Code, be, and the same is hereby  
 19 amended to read as follows:

20 43-1508. DISPOSITION OF ~~LANDS~~ PROPERTIES ACQUIRED BY TAX TITLE --  
 21 ~~PERFECTION OF TITLE BY DISTRICT -- RATIFICATION OF PRIOR ACTS.~~ (1) Any ir-  
 22 rrigation district, ~~as the purchaser of any lands at any delinquent tax sale~~  
 23 ~~or holding a tax deed issued in consequence of any delinquency entry for~~  
 24 ~~taxes or assessments, or as the owner of lands in any other manner acquired,~~  
 25 ~~and which are not necessary for the use of the district, pursuant to section~~  
 26 ~~43-716 or 43-724, Idaho Code, shall be entitled to the same rights as a pri-~~  
 27 ~~ate purchaser, and the title so acquired by the district may be conveyed by~~  
 28 ~~deed executed and acknowledged by the president and secretary of the board~~  
 29 ~~of directors, and in like manner the district may also contract to convey or~~  
 30 ~~lease the same; provided that authority so to convey, contract or lease must~~  
 31 ~~be conferred by resolution of said board entered upon its minutes. Any deeds~~  
 32 ~~executed on behalf of a county by its board of county commissioners or the~~  
 33 ~~officers thereof, to an irrigation district holding tax title or delinquency~~  
 34 ~~entry against lands within its boundaries prior to the date this act goes~~  
 35 ~~into effect, and any deeds, contracts, or leases executed by irrigation dis-~~  
 36 ~~tricts prior to the date this act goes into effect conveying, contracting to~~  
 37 ~~convey, or leasing lands acquired under the conditions set forth in this act~~  
 38 ~~are hereby declared to be good, valid and legal, and are hereby validated,~~  
 39 ~~approved, authorized and confirmed. including the right to lease, sell, or~~  
 40 ~~retain the property or remove the water from the property.~~

41 (2) The district may sell property as follows:

42 (a) Prior to offering the property for sale, the district shall pub-  
 43 lish notice in a newspaper having general circulation in the county in  
 44 which the property is situated at least once a week for four (4) consec-  
 45 utive weeks, the last publication of which is to be no more than two (2)  
 46 months and no less than fourteen (14) days before the time set for the  
 47 auction. The notice shall contain the same information provided in sec-  
 48 tion 43-717 (3), Idaho Code.

1 (b) The property shall be sold to the highest bidder. The board of di-  
2 rectors shall, at a regular or special meeting of the board, set the min-  
3 imum acceptable bid, which shall include all assessments owing up to the  
4 issuance of the tax deed, any interest and penalties, all costs associ-  
5 ated with the sale of the property, and all costs associated with main-  
6 taining the property prior to sale.

7 (c) The proceeds from the sale of the property shall be apportioned as  
8 follows:

9 (i) The district shall retain funds equal to the minimum accept-  
10 able bid, set pursuant to paragraph (b) of this subsection and all  
11 costs associated with the compliance of this section. Any remain-  
12 ing proceeds shall be considered excess proceeds.

13 (ii) Within thirty (30) days of the sale, the district shall no-  
14 tify the owners of record of the property and parties in interest  
15 at the time the tax deed was issued of such sale and the amount of  
16 excess proceeds in the same manner as the notice provided for in  
17 section 43-717, Idaho Code. Such owners of record and parties in  
18 interest may make claim on the excess proceeds in writing. The  
19 claim shall include at least the:

- 20 1. Name and current mailing address of the owners of record;
- 21 2. Address of the property in question;
- 22 3. Basis for the claim; and
- 23 4. Copies of any deeds or other documents evidencing owner-  
24 ship or interest at the time the tax deed was issued on the  
25 property. Such claim shall be received no later than (60)  
26 days after the date of the notice.

27 (iii) Within sixty (60) days of the date a valid claim on the pro-  
28 ceeds is received by the district, the district shall make payment  
29 to the owners of record or parties of interest.

30 (iv) Any excess proceeds not claimed as provided in this para-  
31 graph, shall be retained by the district for the general use of the  
32 district.

33 (d) The district may convey title by deed executed and acknowledged by  
34 the president and secretary of the district.

35 (e) Any sale of property by the district shall vest in the purchaser all  
36 of the right, title, and interest of the district in the property, but  
37 excluding easements, highways, and rights-of-way owned by the county,  
38 unless expressly conveyed.

39 (f) In addition to the purchase price, a purchaser of property acquired  
40 by tax deed shall pay all fees required by law for the transfer of prop-  
41 erty.

42 (g) No deed for any real estate purchased pursuant to the provisions of  
43 this section shall be delivered to a purchaser until such deed has been  
44 recorded in the county where the property is situated.

45 (3) The district may retain property acquired by tax deed for lease or  
46 the district's own use and possession, after adoption of a resolution by the  
47 board of directors. Notice of such determination shall be as provided in  
48 subsection (2) (a) of this section, including the date and time of the meeting  
49 for the decision of the board of directors and to hear any objections against  
50 such determination.

1       (4) Any right to redemption, as provided in section 43-712, Idaho Code,  
2 shall be discharged when:

3       (a) The board adopts a resolution to retain the property;

4       (b) The district attempts to sell the property and the board adopts a  
5 resolution outlining compliance with the requirements of subsection  
6 (2) of this section; or

7       (c) The board adopts a resolution to remove the water in compliance with  
8 the requirements of subsection (5) of this section.

9       (5) The district may remove the water from any property acquired by tax  
10 deed after adoption of a resolution by the board of directors.

11       (a) If the right to redemption has not been discharged, the district  
12 shall provide notice of such election as provided in subsection (2) (a)  
13 of this section, including the date and time of the meeting for the elec-  
14 tion of the board of directors and to hear any objection against such de-  
15 termination.

16       (b) Upon removal of the water from the property, all outstanding as-  
17 sessments, penalties, interests, or other charges shall be considered  
18 canceled, the property shall no longer be entitled to water from the  
19 district, and the water apportioned to said property may be apportioned  
20 to different properties within the district's authorized service area.

21       (c) Once the district removes the water from the property, the district  
22 may dispose of the property, in any manner, without further notice.

23       SECTION 4. An emergency existing therefor, which emergency is hereby  
24 declared to exist, this act shall be in full force and effect on and after  
25 July 1, 2024.