# SENATE BILL NO. 215

INTRODUCED BY VAN VALKENBURG, BARNHART, WATERMAN, WELDON, B. BROWN, KENNEDY

IN THE SENATE

JANUARY 20, 1993 INTRODUCED AND REFERRED TO COMMITTEE ON LOCAL GOVERNMENT.

FIRST READING.

- FEBRUARY 6, 1993 SPONSORS ADDED.
- FEBRUARY 10, 1993 COMMITTEE RECOMMEND BILL DO PASS AS AMENDED. REPORT ADOPTED.

FEBRUARY 11, 1993 PRINTING REPORT.

SECOND READING, DO PASS.

FEBRUARY 12, 1993 ENGROSSING REPORT.

THIRD READING, PASSED. AYES, 50; NOES, 0.

TRANSMITTED TO HOUSE.

IN THE HOUSE

FEBRUARY 23, 1993 INTRODUCED AND REFERRED TO COMMITTEE ON LOCAL GOVERNMENT.

FIRST READING.

- MARCH 26, 1993 COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
- MARCH 30, 1993 SECOND READING, CONCURRED IN.

APRIL 1, 1993 THIRD READING, CONCURRED IN. AYES, 89; NOES, 10.

RETURNED TO SENATE.

IN THE SENATE

APRIL 2, 1993

--

RECEIVED FROM HOUSE.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

•

٠

-

.

.

1

LC 0615/01

INTRODUCED BY Vallenting Brownhart 2 3 A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING A COUNTY OR A A DONATE TAX-DEED LAND TO A NONPROFIT 5 MUNICIPALITY TO CORPORATION FOR THE CONSTRUCTION OF RESIDENTIAL HOUSING; AND 6 AMENDING SECTIONS 7-8-2301 AND 15-17-319, MCA." 7 8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 9 Section 1. Section 7-8-2301, MCA, is amended to read: 10 "7-8-2301. Auction-sale Disposal of county tax-deed 11 land. (1) Whenever the county acquires land by tax deed, it 12

is the duty of the board of county commaissioners, within 6 13 months after acquiring title, to: 14

(a) make and enter an order for sale of the lands at 15 16 public auction at the front door of the courthouse; or

(b) donate the lands to a nonprofit corporation as 17 18 provided in subsection (6).

(2) A sale may not be made for a price less than the 19 20 fair market value of the land, as determined and fixed by the board prior to making the order of sale. In determining 21 fair market value, the board shall subtract the amount of 22 23 outstanding assessments that are a lien on the land from the unencumbered value of the land, but the minimum sale price 24 for a parcel of land may not be less than \$10. 25



1 (3) If no bids are received at a sale of tax-deed land, 2 the board shall order another auction sale of the land under 3 this part within 6 months and may, if required by the 4 circumstances, redetermine the fair market value of the land under subsection (2). In the period of time between the 5 auction conducted under subsection (1), in which there were 6 no qualifying bids for the property, and an auction held 7 8 pursuant to this subsection, the board may sell the land by 9 negotiated sale at a price that is not less than the fair 10 market value that was fixed for the original auction under 11 subsection (1).

12 (4) If no bid is received at the sale conducted under 13 subsection (3), the board may dispose of the land as 14 provided in 7-8-2218.

15 (5) Notwithstanding the amount of the fair market value 16 fixed by the board prior to the auction, if the successful 17 sale bidder is the delinquent taxpayer or his the taxpayer's 18 successor in interest, his the taxpayer's agent, or a member 19 of his the taxpayer's immediate family, the purchase price 20 may not be less than the amount necessary to pay, in full, 21 all county costs of conducting the sale, delinguent taxes, 22 assessments, and all interest and penalties.

23 (6) A board of county commissioners may, upon 24 expiration of the redemption period provided for in 25 15-18-111, donate the land to a nonprofit corporation for

> SB215 -2-INTRODUCED BILL

LC 0615/01

1 the purpose of constructing:

2 (a) a multi-family housing development operated by the 3 corporation; or

4 (b) single-family houses. Upon completion of a house, 5 the nonprofit corporation shall sell the property to a 6 low-income person who meets the eligibility requirements of 7 the corporation. Once the sale is completed, the property 8 becomes subject to taxation."

9 Section 2. Section 15-17-319, MCA, is amended to read: 10 \*15-17-319. Sale or lease and disposition of proceeds from lands acquired by municipality. A municipality may 11 12 sell, donate, or lease property it acquires under 15-17-317 13 in the same manner as a county may sell, donate, or lease 14 tax-deed property under Title 7, chapter 8, part 23. All 15 money received by the municipality from the sale or lease of such the land, after payment of the cost of sale, not to 16 exceed \$25, must be paid into the improvement fund to the 17 18 extent of the delinquent assessments, interest, and 19 penalties. The surplus, if any, must be paid into any 20 revolving fund that secures payment of such special 21 assessments or, if there are none, to the general fund of the municipality." 22

-End-

-3-

### SB 0215/02

### APPROVED BY COMM. On local government

1	SENATE BILL NO. 215	1	unen
2	INTRODUCED BY VAN VALKENBURG, BARNHART, WATERMAN, WELDON,	2	for
3	B. BROWN, KENNEDY	3	
4		4	the
5	A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING A COUNTY OR A	5	this
6	MUNICIPALITY TO DONATE TAX-DEED LAND TO A NONPROFIT	6	circ
7	CORPORATION FOR THE CONSTRUCTION OF RESIDENTIAL HOUSING; AND	7	unde
8	AMENDING SECTIONS 7-8-2301 AND 15-17-319, MCA; AND PROVIDING	8	auct
9	AN IMMEDIATE EFFECTIVE DATE."	9	no d
10		10	purs
11	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:	11	negoi
12	Section 1. Section 7-8-2301, MCA, is amended to read:	12	marke
13	*7-8-2301. Auction-sale <u>Disposal</u> of county tax-deed	13	subse
14	land. (1) Whenever the county acquires land by tax deed, it	14	(
15	is the duty of the board of county commissioners, within 6	15	subse
16	months after acquiring title, to <u>:</u>	16	provi
17	(a) make and enter an order for sale of the lands at	17	(
18	public auction at the front door of the courthouse; or	18	fixed
19	(b) donate the lands to a nonprofit corporation as	19	sale
20	provided in subsection (6).	20	succe
21	(2) A sale may not be made for a price less than the	21	of h <del>i</del>
22	fair market value of the land, as determined and fixed by	22	тау
23	the board prior to making the order of sale. In determining	23	all c
24	fair market value, the board shall subtract the amount of	24	asses
25	outstanding assessments that are a lien on the land from the	25	Ţ

Contant Lagenderes Courtes

unencumbered value of the land, but the minimum sale price for a parcel of land may not be less than \$10.

3 (3) If no bids are received at a sale of tax-deed land, 4 the board shall order another auction sale of the land under 5 this part within 6 months and may, if required by the 6 circumstances, redetermine the fair market value of the land 7 under subsection (2). In the period of time between the 8 auction conducted under subsection (1), in which there were 9 no qualifying bids for the property, and an auction held 0 pursuant to this subsection, the board may sell the land by 1 negotiated sale at a price that is not less than the fair 2 market value that was fixed for the original auction under 3 subsection (1).

14 (4) If no bid is received at the sale conducted under 15 subsection (3), the board may dispose of the land as 16 provided in 7-8-2218.

(5) Notwithstanding the amount of the fair market value fixed by the board prior to the auction, if the successful sale bidder is the delinquent taxpayer or his the taxpayer's successor in interest, his the taxpayer's agent, or a member of his the taxpayer's immediate family, the purchase price may not be less than the amount necessary to pay, in full, all county costs of conducting the sale, delinquent taxes, assessments, and all interest and penalties.

(6) A board of county commissioners may, upon

-2-

\_\_\_\_

SECOND READING

expiration of the redemption period provided for in 1 2 15-18-111, donate the land to a nonprofit corporation for 3 the purpose of constructing: 4 (a) a multi-family housing development operated by the 5 corporation; or 6 (b) single-family houses. Upon completion of a house, the nonprofit corporation shall sell the property to a 7 low-income person who meets the eligibility requirements of 8 9 the corporation. Once the sale is completed, the property 10 becomes subject to taxation." 11 Section 2. Section 15-17-319, MCA, is amended to read:

\*15-17-319. Sale or lease and disposition of proceeds 12 13 from lands acquired by municipality. A municipality may 14 sell, donate, or lease property it acquires under 15-17-317 15 in the same manner as a county may sell, donate, or lease tax-deed property under Title 7, chapter 8, part 23. All 16 money received by the municipality from the sale or lease of 17 18 such the land, after payment of the cost of sale, not to 19 exceed \$25, must be paid into the improvement fund to the extent of the delinguent assessments, interest, and 20 21 penalties. The surplus, if any, must be paid into any 22 revolving fund that secures payment of such special 23 assessments or, if there are none, to the general fund of the municipality." 24

25 NEW SECTION. SECTION 3. EPPECTIVE DATE. [THIS ACT] IS

-3-

SB 215

1 EFFECTIVE ON PASSAGE AND APPROVAL.

-End-

-4-

#### SB 0215/02

SB 0215/02

1	SENATE BILL NO. 215			
2	INTRODUCED BY VAN VALKENBURG, BARNHART, WATERMAN, WELDON,			
3	B. BROWN, KENNEDY			
4				
5	A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING A COUNTY OR A			
6	MUNICIPALITY TO DONATE TAX-DEED LAND TO A NONPROFIT			
7	CORPORATION FOR THE CONSTRUCTION OF RESIDENTIAL HOUSING; AND			
8	AMENDING SECTIONS 7-8-2301 AND 15-17-319, MCA <u>; AND PROVIDING</u>			
9	AN INNEDIATE EPPECTIVE DATE."			
10				
11	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NONTANA:			
12	Section 1. Section 7-8-2301, NCA, is amended to read:			
13	*7-8-2301. Auction-sale <u>Disposal</u> of county tax-deed			
14	land. (1) Whenever the county acquires land by tax deed, it			
15	is the duty of the board of county commissioners, within 6			
16	months after acquiring title, to <u>:</u>			
17	(a) make and enter an order for sale of the lands at			
18	public auction at the front door of the courthouse; or			
19	(b) donate the lands to a nonprofit corporation as			
20	provided in subsection (6).			
21	(2) A sale may not be made for a price less than the			
22	fair market value of the land, as determined and fixed by			
23	the board prior to making the order of sale. In determining			
24	fair market value, the board shall subtract the amount of			
25	outstanding assessments that are a lien on the land from the			

and Louisiative Council

unencumbered value of the land, but the minimum sale price
 for a parcel of land may not be less than \$10.

3 (3) If no bids are received at a sale of tax-deed land, 4 the board shall order another auction sale of the land under 5 this part within 6 months and may, if required by the 6 circumstances, redetermine the fair market value of the land under subsection (2). In the period of time between the 7 auction conducted under subsection (1), in which there were 8 9 no qualifying bids for the property, and an auction held 10 pursuant to this subsection, the board may sell the land by 11 negotiated sale at a price that is not less than the fair market value that was fixed for the original auction under 12 13 subsection (1).

14 (4) If no bid is received at the sale conducted under
15 subsection (3), the board may dispose of the land as
16 provided in 7-8-2218.

17 (5) Notwithstanding the amount of the fair market value fixed by the board prior to the auction, if the successful 18 19 sale bidder is the delinguent taxpayer or his the taxpayer's 20 successor in interest, his the taxpayer's agent, or a member of his the taxpayer's immediate family, the purchase price 21 may not be less than the amount necessary to pay, in full, 22 all county costs of conducting the sale, delinquent taxes, 23 24 assessments, and all interest and penalties. 25

(6) A board of county commissioners may, upon

-2-

# THIRD READING

SB 215

2 15-18-111, donate the land to a nonprofit corporation for the purpose of constructing: 3 (a) a multi-family housing development operated by the 4 corporation; or 5 б (b) single-family houses. Upon completion of a house, the nonprofit corporation shall sell the property to a 7 low-income person who meets the eligibility requirements of 8 the corporation. Once the sale is completed, the property 9 10 becomes subject to taxation." Section 2. Section 15-17-319, MCA, is amended to read: 11 \*15-17-319. Sale or lease and disposition of proceeds 12 from lands acquired by municipality. A municipality may 13 sell, donate, or lease property it acquires under 15-17-317 14 in the same manner as a county may sell, donate, or lease 15 tax-deed property under Title 7, chapter 8, part 23. All 16 money received by the municipality from the sale or lease of 17 such the land, after payment of the cost of sale, not to 18 19 exceed \$25, must be paid into the improvement fund to the extent of the delinquent assessments, interest, and 20 penalties. The surplus, if any, must be paid into any 21 22 revolving fund that secures payment of such special assessments or, if there are none, to the general fund of 23

expiration of the redemption period provided for in

1

24

the municipality."

#### 25 NEW SECTION. SECTION 3. EPPECTIVE DATE. [THIS ACT] IS

-3-

1 EFFECTIVE ON PASSAGE AND APPROVAL.

-End-

SB 0215/02

-4-

SB 215

## SB 0215/02

1	SENATE BILL NO. 215	1	unencumbered value of the land, but the minimum sale price
2	INTRODUCED BY VAN VALKENBURG, BARNHART, WATERMAN, WELDON,	2	for a parcel of land may not be less than \$10.
3	B. BROWN, KENNEDY	3	(3) If no bids are received at a sale of tax-deed land,
4		4	the board shall order another auction sale of the land under
5	A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING A COUNTY OR A	5	this part within 6 months and may, if required by the
6	MUNICIPALITY TO DONATE TAX-DEED LAND TO A NONPROFIT	6	circumstances, redetermine the fair market value of the land
7	CORPORATION FOR THE CONSTRUCTION OF RESIDENTIAL HOUSING; AND	7	under subsection (2). In the period of time between the
8	AMENDING SECTIONS 7-8-2301 AND 15-17-319, MCA; AND PROVIDING	8	auction conducted under subsection (1), in which there were
9	AN IMMEDIATE EPPECTIVE DATE."	9	no qualifying bids for the property, and an auction held
10		10	pursuant to this subsection, the board may sell the land by
11	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NONTANA:	11	negotiated sale at a price that is not less than the fair
12	Section 1. Section 7-8-2301, MCA, is amended to read:	12	market value that was fixed for the original auction under
13	*7-8-2301. Auction-sale Disposal of county tax-deed	13	subsection (1).
14	land. (1) Whenever the county acquires land by tax deed, it	14	(4) If no bid is received at the sale conducted under
15	is the duty of the board of county commissioners, within 6	15	subsection (3), the board may dispose of the land as
16	months after acquiring title, to:	16	provided in 7-8-2218.
17	(a) make and enter an order for sale of the lands at	17	(5) Notwithstanding the amount of the fair market value
18	public auction at the front door of the courthouse; or	18	fixed by the board prior to the auction, if the successful
19	(b) donate the lands to a nonprofit corporation as	19	sale bidder is the delinquent taxpayer or his the taxpayer's
20	provided in subsection (6).	20	successor in interest, his the taxpayer's agent, or a member
21	(2) A sale may not be made for a price less than the	21	of his the taxpayer's immediate family, the purchase price
22	fair market value of the land, as determined and fixed by	22	may not be less than the amount necessary to pay, in full,
23	the board prior to making the order of sale. In determining	23	all county costs of conducting the sale, delinguent taxes,
24	fair market value, the board shall subtract the amount of	24	assessments, and all interest and penalties.
25		25	(6) A board of county commissioners may, upon
23	outstanding assessments that are a lien on the land from the		county county country tourstoners may, upon
	۸.		-2- SB 216

innigne Laplatitive Council

REFERENCE BILL

SB 215

SB 215

expiration of the redemption period provided for in
 15-18-111, donate the land to a nonprofit corporation for
 the purpose of constructing:

4 (a) a multi-family housing development operated by the 5 corporation; or

6 (b) single-family houses. Upon completion of a house,
7 the nonprofit corporation shall sell the property to a
8 low-income person who meets the eligibility requirements of
9 the corporation. Once the sale is completed, the property
10 becomes subject to taxation."

11 Section 2. Section 15-17-319, MCA, is amended to read: 12 \*15-17-319. Sale or lease and disposition of proceeds 13 from lands acquired by municipality. A municipality may sell, donate, or lease property it acquires under 15-17-317 14 15 in the same manner as a county may sell, donate, or lease 16 tax-deed property under Title 7, chapter 8, part 23. All 17 money received by the municipality from the sale or lease of 18 such the land, after payment of the cost of sale, not to 19 exceed \$25, must be paid into the improvement fund to the 20 extent of the delinquent assessments, interest, and 21 penalties. The surplus, if any, must be paid into any 22 revolving fund that secures payment of such special 23 assessments or, if there are none, to the general fund of 24 the municipality."

### 25 NEW SECTION. SECTION 3. EPPECTIVE DATE. [THIS ACT] IS

-3-

1 EPFECTIVE ON PASSAGE AND APPROVAL.

-End-

-4-

SB 0215/02