
Local Government Committee

HB 1564

Brief Description: Clarifying county treasurer fiscal provisions.

Sponsors: Representatives Alexander, Fromhold, Mielke, Kessler and Buck.

Brief Summary of Bill

- Modifies various county treasurer provisions.

Hearing Date: 2/13/03

Staff: Amy Wood (786-7127).

Background:

The county treasurer operates under the authority of various state statutes concerning aspects of receiving, processing, and disbursing funds. The county treasurer is the custodian of the county's money and the administrator of the county's financial transactions. In addition to services for the county, the county treasurer provides financial services to special purpose districts and other units of local government, including the responsibility to receipt, disburse, invest, and account for the funds of each of these entities. The treasurer receives and disburses funds, invests funds held, and maintains financial records in accordance with accepted accounting principles. The county treasurer is also responsible for the collection of various taxes, including legal proceedings to collect past due amounts. The county treasurer has other miscellaneous duties such as conducting bond sales and sales of surplus county property.

Summary of Bill:

Sec. 1: The person authorized to establish lines of credit and to pay interest and other finance or service charges for local governments is changed from "fiscal officer" to "treasurer." "Treasurer" is defined in the chapter, whereas "fiscal officer" is not defined.

Sec. 2: If personal property is sold at auction, any outstanding property taxes will become an automatic lien against the proceeds of the auction, and will be remitted to the county treasurer. If any proceeds are distributed in violation of this section, the seller or agent of the seller will be liable for all taxes, interest, and penalties owed to the county treasurer.

Sec. 3: Prohibits real property from being divided until all current year taxes and any delinquent taxes are paid in full.

Sec. 4: At any time the day before a foreclosure sale of real property, any person owning a "recorded" interest in property may pay the taxes, interest, and cost due to the county treasurer.

Sec. 5: Following a foreclosure sale, the county treasurer must refund any amount in excess of the minimum bid price to the record owner of the property. The record owner of the property is the person who held title on the date of issuance of the certificate of delinquency. Any assignments of interests, deeds, or other documents executed or recorded after the certificate of delinquency was filed by the county treasurer shall not affect the payment of excess funds to the record owner.

Sec. 6 & 7: If the county treasurer issues a refund that includes interest, the county treasurer shall have the authority not only to remove the amount of the overpaid tax but also the interest from the state or the county general fund in the same proportion as it was paid.

Appropriation: None.

Fiscal Note: Not Requested.

Effective Date: The bill takes effect ninety days after adjournment of session in which bill is passed.