

# FINAL BILL REPORT

## HB 1972

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C 63 L 07

Synopsis as Enacted

**Brief Description:** Regarding proceeds from irrigation district foreclosure sales.

**Sponsors:** By Representatives Ross and Newhouse.

**House Committee on Agriculture & Natural Resources**  
**Senate Committee on Government Operations & Elections**

### **Background:**

An irrigation district may be organized or maintained to:

- construct or purchase works for the irrigation of lands within the district;
- reconstruct, repair, improve, operate, or maintain existing irrigation works;
- construct, reconstruct, repair, or maintain a system of diverting conduits from a natural water supply source to the point of individual distribution for irrigation purposes; and
- execute and perform any legally-authorized contract with the federal or state governments for reclamation and irrigation purposes.

The process for organizing a district, electing a board of directors, and carrying out its powers and duties is outlined in statute. A district may assess property within its boundaries in order to carry out these functions. A district's secretary must prepare an assessment roll, which will be reviewed and equalized by the board of directors. The real property assessment is a lien against the property assessed. The lien is superior to any other lien created except for a lien for prior assessments. Such a lien is not removed until the assessments are paid or the property sold for the payment.

A date of delinquency is the date when an assessment first becomes delinquent. Thirty-six months after the date of delinquency, the county treasurer must prepare a certificate of delinquency on the property for the unpaid irrigation district assessments and for costs and interest. After the county treasurer takes steps to notify the land owners, encourage payment of the amounts due, and conduct a title search, he or she must commence legal action to foreclose on the assessment liens. If the court issues a judgment of foreclosure, the court must direct the county treasurer to proceed with the sale of the property and specify the minimum sale price. The county treasurer must sell the property to the highest and best bidder.

When proceeds from an irrigation assessment judgment sale exceed the amounts owed for delinquent assessments and certain additional assessments, costs and interest, the excess proceeds are remitted, upon application, to the owner of the property.

### **Summary:**

When proceeds from an irrigation assessment judgment sale exceed the amounts owed for delinquent assessments and certain additional assessments, costs and interest, the excess proceeds must be remitted, upon application, to the record owner of the property. The "record owner of the property" is the person who held title to the property on the date the certificate of delinquency was issued. Assignments of interests, deeds, or other documents executed or recorded after filing the delinquency certificate do not affect the payment of excess funds to the record owner.

**Votes on Final Passage:**

House	95	0
Senate	49	0

**Effective:** July 22, 2007