

Introduced: 2/17/86
Referred: Community & Regional
Affairs and Judiciary

1 IN THE HOUSE

BY FURNACE

2

HOUSE BILL NO. 663

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act relating to the foreclosure of liens by a
7 municipality."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. AS 29.45.400 is amended to read:

10 Sec. 29.45.400. REDEMPTION PERIOD. Properties transferred to
11 the municipality are held by the municipality for at least one year.
12 During the redemption period and for so long after the redemption
13 period that the municipality retains the property, a party having an
14 interest in the property may redeem it by paying the lien amount plus
15 penalties, interest, and costs, including all costs incurred under
16 AS 29.45.440(a). Property redeemed is subject to all accrued taxes,
17 assessments, liens, and claims as though it had continued in private
18 ownership. Only the amount applicable under the judgment and decree
19 must be paid in order to redeem the property.

20 * Sec. 2. AS 29.45.440(a) is amended to read:

21 (a) At least 30 days before the expiration of the redemption
22 period the clerk or the clerk's designee shall publish a redemption
23 period expiration notice. The notice shall contain the date of judg-
24 ment, the date of expiration of the period of redemption, and a warn-
25 ing that except as provided in (d) of this section, all properties
26 ordered sold under the judgment, unless redeemed, shall be deeded to
27 the municipality immediately on expiration of the period of redemption
28 and that every right or interest of a person in the properties will be
29 forfeited forever to the municipality. The notice appears once a week

1 for four consecutive weeks in a newspaper of general circulation
2 distributed in the municipality. If there is no newspaper of general
3 circulation distributed in the municipality, the notice is posted in
4 three public places for at least four consecutive weeks. The clerk
5 shall send a copy of the notice by certified mail to each record owner
6 of property against which a judgment of foreclosure has been taken
7 and, if the assessed value of the property is more than \$10,000, to
8 all holders of mortgages or other liens of record on the property. The
9 notice shall be mailed within five days after the first publication.
10 The mailing shall be sufficient if mailed to the property owner and to
11 the holder of a mortgage or recorded lien at the last address of
12 record.

13 * Sec. 3. AS 29.45.440 is amended by adding a new subsection to read:

14 (d) If the municipality sells the property after the redemption
15 period established under AS 29.45.400 for an amount in excess of a
16 claim of the municipality against the property authorized by law and
17 notwithstanding AS 29.45.450(d), the municipality shall remit the
18 excess to the former record owner upon presentation of a proper claim.

19 * Sec. 4. AS 29.45.460 is amended by adding a new subsection to read:

20 (e) If a municipality sells tax foreclosed property, the prop-
21 erty may not be purchased by a person who has a close economic asso-
22 ciation involving a substantial economic matter with an officer or
23 employee of the municipality who has participated in municipal actions
24 relating to the foreclosure.