

1 SB339  
2 219616-1  
3 By Senator Coleman-Madison  
4 RFD: Banking and Insurance  
5 First Read: 07-APR-22

8 SYNOPSIS: Under existing law, the acquisition of real  
9 property by local land bank authorities is subject  
10 to certain restrictions on the procedure,  
11 geographic location, and costs.

12 This bill would provide a shortened  
13 redemption period for a tax delinquent property  
14 that is not acquired by an open market bidder at a  
15 tax sale auction, would authorize a local  
16 government or a local land bank authority to  
17 purchase property at public auction by tendering  
18 the minimum bid in the absence of open market bids,  
19 and would limit the geographical boundaries of  
20 local land bank authority acquisitions.

21 This bill would also provide for the  
22 creation of multijurisdictional local land bank  
23 authorities by intergovernmental agreements, a  
24 property tax exemption for a property owned by a  
25 local land bank authority, authorize local  
26 governments to allocate a portion of local property  
27 tax revenues to local land bank authorities, a

1 local land bank authority to convey properties to  
2 state and local governments for floodplain  
3 management and storm water drainage, and the  
4 Governor to create a local land bank authority by  
5 executive order following a declaration of a state  
6 of emergency.

7  
8 A BILL  
9 TO BE ENTITLED  
10 AN ACT

11  
12 Relating to land bank authorities; to amend Sections  
13 24-9-4, 24-9-6, 24-9-10, 40-1-3, 40-10-1, 40-10-18, 40-10-29,  
14 40-10-120, 40-10-184, and to add Sections 29-4-11 and 29-4-12  
15 to the Code of Alabama 1975; to provide for the creation of  
16 multijurisdictional local land bank authorities; further  
17 authorize the acquisition of tax delinquent property and tax  
18 liens by local land bank authorities; further provide for the  
19 exemption of land bank authority property from taxes and fees;  
20 provide for the allocation of a portion of the ad valorem  
21 taxes on property conveyed by a land bank authority to the  
22 authority; further provide for the conveyance of land bank  
23 authority property; and authorize the Governor to create a  
24 local land bank authority in the event of a state of  
25 emergency.

26 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

1                   Section 1. Sections 24-9-4, 24-9-6, and 24-9-10,  
2 Code of Alabama 1975, are amended to read as follows:

3                   "§24-9-4.

4                   "When used in the chapter, the following words shall  
5 have the following meanings:

6                   "(1) AGREEMENT. The intergovernmental cooperation  
7 agreement entered into between an authority and a local  
8 authority by the parties pursuant to this chapter.

9                   "(2) AUTHORITY. The Alabama Land Bank Authority.

10                  "(3) BOARD. The Alabama Land Bank Authority Board.

11                  "(4) LOCAL LAND BANK AUTHORITY. A local land bank  
12 authority created by a county or municipality as provided in  
13 Section 24-9-10.

14                  "(5) PROPERTY. Real property, including any  
15 improvements thereon.

16                  "(6) TAX-DELINQUENT PROPERTY. Any property on which  
17 the taxes levied and assessed by any party remain in whole or  
18 in part unpaid on the date due and payable.

19                  "§24-9-6.

20                  "(a) The authority, at such times as it deems to be  
21 appropriate, may submit a written request to the Land  
22 Commissioner of the Alabama Department of Revenue for the  
23 transfer of the state's interest in certain properties to the  
24 authority. Upon receipt of such request, the Land Commissioner  
25 shall issue a tax deed conveying the state's interest in the  
26 property to the authority. The authority shall not be required

1 to pay the amount deemed to have been bid to cover delinquent  
2 taxes or any other amount in order to obtain the tax deed.

3 "(b) (1) Delinquent property that may be transferred  
4 by the Land Commissioner to the authority shall be limited to  
5 parcels that have been bid in for the state pursuant to  
6 Chapter 10 of Title 40 for at least three years and the  
7 state's interest in real property acquired pursuant to Chapter  
8 29 of Title 40 for delinquent taxes administered by the state  
9 and held for at least three years. The three-year period shall  
10 not apply to properties encumbered by one or more housing or  
11 building code liens transmitted to the tax collecting official  
12 in accordance with Title 11.

13 "(2) The Land Commissioner or his or her agents or  
14 assistants may adopt rules necessary to transfer such  
15 properties to the authority.

16 "(c) The authority shall administer properties  
17 acquired by it as follows:

18 "(1) All property acquired by the authority shall be  
19 inventoried and the inventory shall be maintained as a public  
20 record.

21 "(2) The authority shall have the power to manage,  
22 maintain, protect, rent, lease, repair, insure, alter, sell,  
23 trade, exchange, or otherwise dispose of any property acquired  
24 pursuant to subsection (b) (1), on terms and conditions  
25 determined in the sole discretion of the authority.

1           "(d) Nothing contained in Act 2013-249 shall be  
2 construed to grant any power of eminent domain to the  
3 authority or any local authority.

4           "§24-9-10.

5           "(a) If the number of tax delinquent properties in a  
6 municipality exceeds 100, then the governing body of a  
7 municipality may adopt a resolution declaring that it is wise,  
8 expedient, and necessary that a local land bank authority be  
9 formed by the municipality by the filing for record of a  
10 certificate of incorporation in accordance with the provisions  
11 of subsection ~~(c)~~(d).

12           "(b) If the number of tax delinquent properties in a  
13 municipality exceeds 100, then the governing body of a county  
14 may adopt a resolution declaring that it is wise, expedient,  
15 and necessary that a local land bank authority be formed by  
16 the county by the filing for record of a certificate of  
17 incorporation in accordance with the provisions of subsection  
18 ~~(c)~~(d).

19           "(c) A county and a municipality located within such  
20 county may create a single land bank authority by an  
21 intergovernmental agreement, so long as both the county and  
22 the municipality each meet the criteria of subsections (a) and  
23 (b). The intergovernmental agreement shall comply with all  
24 provisions of subsections (d) and (e).

25           "~~(c)~~(d) Upon the adoption of the authorizing  
26 resolution, the municipality or county, as the case may be,  
27 shall proceed to incorporate the local land bank authority by

1 filing for record in the office of the judge of probate of the  
2 county a certificate of incorporation which shall comply in  
3 form and substance with the requirements of this section and  
4 which shall be in the form and executed in the manner herein  
5 provided. The certificate of incorporation of the local land  
6 bank authority shall state all of the following:

7 "(1) The name of the local unit of government  
8 forming the local land bank authority.

9 "(2) The name of the local land bank authority.

10 "(3) The size of the initial governing body of the  
11 local land bank authority, which shall be composed of an odd  
12 number of members, but not less than five.

13 "(4) The qualifications, method of selection, and  
14 terms of office of the initial board members.

15 "(5) A method for the adoption of bylaws by the  
16 governing body of the local land bank authority.

17 "(6) A method for the distribution of proceeds from  
18 the activities of the local land bank authority.

19 "(7) A method for the dissolution of the local land  
20 bank authority.

21 "(8) Any other matters considered advisable by the  
22 local unit of government, consistent with Act 2013-249.

23 "~~(d)~~ (e) Following incorporation, a local authority  
24 may enter into an intergovernmental agreement with the  
25 authority providing for the transfer to the local authority of  
26 any property held by the authority which is located within the

1 corporate limits of the municipality or the boundary of the  
2 county which created the land bank.

3 ~~"(e)~~ (f) A local land bank authority shall have all  
4 of the powers of the authority as set forth in this chapter.  
5 In addition, a local land bank authority shall have the  
6 following powers:

7 "(1) Without the approval of a local unit of  
8 government in which property held by the local land bank  
9 authority is located, control, hold, manage, maintain,  
10 operate, repair, lease as lessor, secure, prevent the waste or  
11 deterioration of, demolish, and take all other actions  
12 necessary to preserve the value of the property it holds or  
13 owns. ~~An~~ A local land bank authority may take or perform the  
14 following actions with respect to property held or owned by  
15 the local land bank authority:

16 "a. Grant or acquire a license, easement, or option  
17 with respect to property as the authority determines is  
18 reasonably necessary to achieve the purposes of this chapter.

19 "b. Fix, charge, and collect rents, fees, and  
20 charges for use of property under the control of the local  
21 land bank authority or for services provided by the authority.

22 "c. Pay any tax or special assessment due on  
23 property acquired or owned by the local land bank authority.

24 "d. Take any action, provide any notice, or  
25 institute any proceeding required to clear or quiet title to  
26 property held by the local land bank authority in order to  
27 establish ownership by and vest title to property in the



1 authority, including, but not limited to, a quiet title and  
2 foreclosure action pursuant to Section 24-9-8.

3 "e. Remediate environmental contamination on any  
4 property held by the local land bank authority.

5 "(2) Enter into an intergovernmental agreement with  
6 a municipality or county, or another local land bank  
7 authority, providing for one or more of the following:

8 "a. The conveyance to the authority of tax  
9 delinquent property held by the municipality or county for  
10 title clearance, including, but not limited to, a quiet title  
11 and foreclosure action under Section 24-9-8.

12 "b. The acquisition and title clearance of property  
13 by the authority of property to be conveyed by the local land  
14 bank authority to the municipality or county or another entity  
15 pursuant to the agreement between the authority and the  
16 municipality or county.

17 "c. The performance of operational and  
18 administrative services to be provided to another local land  
19 bank authority.

20 "(3) Acquire real property at a sale conducted in  
21 accordance with Section 40-10-18 by tendering a bid equal to  
22 the minimum amount specified in the decree of sale and the  
23 costs and expenses subsequently accruing, which shall be  
24 accepted by the judge of probate and the local land bank  
25 authority shall be the purchaser at the sale. The tender of  
26 the minimum bid in accordance with this subsection shall be  
27 for cash, with a credit for any and all components of the

1 minimum bid already due and payable to the governmental entity  
2 that created the local land bank authority. After 90 days from  
3 the date of sale, the judge of probate shall execute and  
4 deliver to the governmental entity a deed to each lot or  
5 parcel of real estate sold to the local land bank authority.  
6 The deed shall convey to, and vest in, the grantee all right,  
7 title, interest, and estate of any and all persons having an  
8 interest in the property as of the date of the sale.

9           "(4) Acquire a tax lien at an auction conducted in  
10 accordance with Section 40-10-184 by tendering a cash bid at  
11 an interest rate of 0.00 percent, which shall be accepted as  
12 the successful bid. The bid shall be tendered for cash subject  
13 to a credit for any and all amounts already due and payable to  
14 the governmental entity that created the local land bank  
15 authority.

16           ~~"(f)~~ (g) A local unit of government and any agency or  
17 department of such local unit of government may do one or more  
18 of the following:

19           "(1) Anything necessary or convenient to aid a local  
20 land bank authority in fulfilling its purposes under Act  
21 2013-249.

22           "(2) Lend, grant, transfer, appropriate, or  
23 contribute funds to a local land bank authority in furtherance  
24 of its purposes.

25           "(3) Lend, grant, transfer, or convey funds to a  
26 local land bank authority that are received from the federal

1 government or this state or from any nongovernmental entity in  
2 aid of the purposes of Act 2013-249.

3 ~~"(g)(h) A local land bank authority created by a  
4 county or a municipality may acquire real property only within  
5 the geographical boundaries of the county or municipality, and  
6 only in those portions of the county or municipality In the  
7 event a county creates a local authority, the local authority  
8 may acquire real property that has been tax delinquent for  
9 three or more years only in those portions of the county  
10 located outside of the geographical boundaries of any other  
11 local land bank authority created by any municipality located  
12 partially or entirely within the county. The Land Bank  
13 Authority may acquire real property that has been tax  
14 delinquent for three or more years only in those portions of  
15 the state located outside of the geographical boundaries of  
16 any local authority created by any municipality or county.~~

17 ~~"(h)(i) Any local land bank authority formed by a  
18 municipality or county pursuant to this section shall continue  
19 to exist in accordance with its articles of incorporation and  
20 this section in the event that the number of tax delinquent  
21 properties in the local jurisdiction forming the authority  
22 subsequently decreases to 100 or less.~~

23 ~~"(i)(j) Any local land bank authority formed by a  
24 municipality or county pursuant to this section shall permit  
25 the Alabama Department of Examiners of Public Accounts to  
26 perform an audit upon request by the department. The~~

1 department shall assess the cost of the audit against the  
2 local authority.

3 "(k) As public property used for public purposes,  
4 the real property of a local land bank authority, including,  
5 but not limited to, real property held by a local land bank  
6 authority pursuant to a long-term lease contract with  
7 community land trusts, and its income are exempt from all  
8 license fees, recording fees, and all other taxes imposed by  
9 the state or by any of its political subdivisions.

10 "(l) Up to 75 percent of the ad valorem taxes  
11 collected on real property, except any state or school  
12 district ad valorem tax, conveyed by a local land bank  
13 authority shall be remitted to the local land bank authority.  
14 The specific percentage of the taxes to be remitted shall be  
15 set forth in the local law, ordinance, resolution, or  
16 intergovernmental contract of the local land bank authority.  
17 The allocation of property tax revenues shall commence with  
18 the first taxable year following the date of conveyance and  
19 shall continue for a period of five consecutive tax years. The  
20 funds shall be remitted to the local land bank authority in  
21 accordance with the administrative procedures established by  
22 the tax commissioner or tax collecting official of the county  
23 in which the local land bank authority is located. The  
24 allocation of property tax revenues shall not occur if the  
25 taxes have been previously allocated to a tax allocation  
26 district, or allocated to secure a debt of the local  
27 government, unless the tax allocation district or local

1 government enters into an agreement with the local land bank  
2 authority for the remittance of the funds to the local land  
3 bank authority."

4 Section 2. Sections 24-9-11 and 24-9-12 are added to  
5 the Code of Alabama 1975, to read as follows:

6 §24-9-11.

7 (a) A local land bank authority may convey ownership  
8 of, or interest in, real property to a state or local  
9 governmental entity for purposes of floodplain management or  
10 storm water drainage in the event of all of the following:

11 (1) Floodplain management or storm water retention  
12 or drainage is the highest and best use of the real property.

13 (2) As a result of housing and building code  
14 restrictions, floodplain elevations, and other local, state,  
15 or federal law or public and private agreements, conditions,  
16 and limitations, the real property is no longer suitable for  
17 development or redevelopment.

18 (b) (1) A local land bank authority may convey  
19 ownership of, or interest in, real property under this section  
20 by grant, deed lease, or other form of conveyance, and may  
21 include additional limitations, restrictions, and conditions  
22 to be determined by the local land bank authority.

23 (2) Consideration for the conveyance may be any of  
24 the following not otherwise prohibited by law:

25 a. A nominal monetary payment.

26 b. A contractual obligation in favor of the party to  
27 which the real property is being conveyed.

1 c. An exchange of real property.

2 d. Other consideration determined by the local land  
3 bank authority and the party to whom the real property is to  
4 be conveyed.

5 §24-9-12.

6 (a) Upon declaring a state of emergency caused by a  
7 natural disaster that causes widespread damage to, and  
8 destruction of, real property and improvements and dislocation  
9 of residents, the Governor may create a local land bank  
10 authority in accordance with this section.

11 (1) The Governor may issue an executive order  
12 providing for the immediate creation of a local land bank  
13 authority of and for local governments of the geographic areas  
14 subject to the declaration of the state of emergency.

15 (2) The executive order shall provide for  
16 incorporation and certification of the local land bank  
17 authority as required under this chapter.

18 (b) Any local land bank authority created pursuant  
19 to this section shall have all powers of a local land bank  
20 authority created pursuant to Section 24-9-10.

21 (c) Upon the necessary and appropriate action of the  
22 local governments having jurisdiction over the geographic  
23 areas subject to the declaration of the state of emergency, a  
24 local land bank authority created pursuant to this section may  
25 be converted into a local land bank authority created pursuant  
26 to Section 24-9-10, at which time, the local land bank

1 authority shall be the successor in interest and at law to the  
2 local authority created pursuant to this section.

3 (d) In the event that a local land bank authority  
4 created pursuant to this section is not converted pursuant to  
5 subsection (c), 12 months following the date of the Governor's  
6 executive order, the local land bank authority created by the  
7 executive order shall be dissolved in accordance with the  
8 provisions of the Governor's executive order.

9 Section 3. Sections 40-1-3, 40-10-1, 40-10-18,  
10 40-10-29, 40-10-120, and 40-10-184, Code of Alabama 1975, are  
11 amended to read as follows:

12 "§40-1-3.

13 "From and after October 1 of each year, when  
14 property becomes assessable the state shall have a lien upon  
15 each and every piece or parcel of property owned by any  
16 taxpayer for the payment of all taxes which may be assessed  
17 against him or her and upon each piece and parcel of property  
18 real or personal assessed to owner unknown, which lien shall  
19 continue until such taxes are paid, and the county shall have  
20 a like lien thereon for the payment of the taxes which may be  
21 assessed by it; and, if such property is within the limits of  
22 a municipal corporation, such municipal corporation shall have  
23 a like lien thereon for the payment of the taxes which may be  
24 assessed by it. These liens shall be superior to all other  
25 liens and shall exist in the order named, and each of such  
26 liens may be enforced and foreclosed by sale for taxes as  
27 provided in this title, or as other liens upon property are

1 enforced, except as otherwise provided by ~~laws~~ law. These  
2 taxes and liens shall include any and all liens transmitted to  
3 the tax collecting official by counties and municipal  
4 corporations in accordance with Sections 11-40-35, 11-53B-16,  
5 and 11-67-66.

6 "§40-10-1.

7 "(a) The probate court of each county may order the  
8 sale of lands therein for the payment of taxes assessed on the  
9 lands, or against the owners of the lands, when the tax  
10 collector shall report to the court that he or she or the  
11 holder of a tax lien issued pursuant to Acts 1995, No. 95-408  
12 was unable to collect the taxes assessed against the land, or  
13 any mineral, timber or water right or special right, or  
14 easement therein, or the owner thereof, without a sale of the  
15 land.

16 "(b) For purposes of any enforcement proceedings  
17 under this chapter, the taxes due shall include any and all  
18 liens of a municipality for housing and building code  
19 violations and enforcement actions which liens are transmitted  
20 to the tax collecting official in accordance with Title 11.

21 "§40-10-18.

22 "(a) If no person shall bid for any real estate  
23 offered at such sale an amount ~~sufficient to pay the sum~~  
24 greater than the minimum bid specified in the decree of sale,  
25 and the costs and expenses subsequently accruing, and no  
26 minimum bid is tendered by a local government or a local land  
27 bank authority, the judge of probate shall bid in such real



1 estate for the state at ~~a price not exceeding the sum~~  
2 ~~specified in such decree and such subsequently accruing cost~~  
3 ~~and expenses~~ the minimum bid. In no event shall the judge of  
4 probate bid in for the state less than the entire amount of  
5 real estate included in any assessment.

6 "(b) If no person shall bid for any real estate  
7 offered at such sale, an amount greater than the minimum bid  
8 specified in the degree of sale, and the costs and expenses  
9 subsequently accruing, a local government or local land bank  
10 authority in which the real estate is located may tender a bid  
11 for the minimum amount which bid shall be accepted by the  
12 judge of probate, and the successful bidder shall be the  
13 purchaser at the sale. The tender of the minimum bid in  
14 accordance with this subsection shall be for cash, with a  
15 credit for any and all amount already due and owing the local  
16 governmental entity submitting the bid.

17 "§40-10-29.

18 "(a) After the expiration of three years from the  
19 date of the sale of any real estate for taxes, the judge of  
20 probate then in office must execute and deliver to the  
21 purchaser, other than the state, or person to whom the  
22 certificate of purchase has been assigned, upon the return of  
23 the certificate, proof that all ad valorem taxes have been  
24 paid, and payment of a fee of five dollars (\$5) to the judge  
25 of probate, a deed to each lot or parcel of real estate sold  
26 to the purchaser and remaining unredeemed, including therein,  
27 if desired by the purchaser, any number of parcels, or lots

1 purchased by him or her at such sale; and such deed shall  
2 convey to and vest in the grantee all the right, title,  
3 interest, and estate of the person whose duty it was to pay  
4 the taxes on such real estate and the lien and claim of the  
5 state and county thereto, but it shall not convey the right,  
6 title, or interest of any reversioner or remainderman therein.

7 "(b) After the expiration of 90 days from the sale  
8 for the minimum bid to a local government or local land bank  
9 authority, the judge of probate then in office shall execute  
10 and deliver to the entity a deed to the real estate sold to  
11 the entity and the deed shall convey to and vest in the  
12 grantee all of the right, title, and interest of any and all  
13 persons having an interest in the property as of the date of  
14 the sale.

15 "§40-10-120.

16 "(a) Except as otherwise provided in this  
17 subsection, real ~~Real~~ estate which hereafter may be sold for  
18 taxes and purchased by the state may be redeemed at any time  
19 before the title passes out of the state or, if purchased by  
20 any other purchaser, may be redeemed at any time within three  
21 years from the date of the sale by the owner, his or her  
22 heirs, or personal representatives, or by any mortgagee or  
23 purchaser of such lands, or any part thereof, or by any person  
24 having an interest therein, or in any part thereof, legal or  
25 equitable, in severalty or as tenant in common, including a  
26 judgment creditor or other creditor having a lien thereon, or  
27 on any part thereof; and an infant or insane person entitled

1 to redeem at any time before the expiration of three years  
2 from the sale may redeem at any time within one year after the  
3 removal of the disability; and such redemption may be of any  
4 part of the lands so sold, which includes the whole of the  
5 interest of the redemptioner. If the mortgage or other  
6 instrument creating a lien under which a party seeks to redeem  
7 is duly recorded at the time of the tax sale, the party shall,  
8 in addition to the time herein specified, have the right to  
9 redeem the real estate sold, or any portion thereof covered by  
10 his or her mortgage or lien, at any time within one year from  
11 the date of written notice from the purchaser of his or her  
12 purchase of the lands at tax sale served upon such party, and  
13 notice served upon either the original mortgagees or  
14 lienholders or their transferee of record, or their heirs,  
15 personal representatives, or assigns shall be sufficient  
16 notice.

17 "(1) When any real property is sold for taxes and  
18 has also been sold in one or more prior sales for taxes  
19 without redemption from such prior tax sales, the three-year  
20 period for redemption shall be measured from the date of the  
21 earliest sale of the real property for taxes.

22 "(2) When any real property is sold for taxes and  
23 the minimum bid specified in the decree of sale, and the costs  
24 and expenses subsequently accruing includes amounts  
25 attributable to one or more housing and building code liens or  
26 nuisance abatement liens and the property is not lawfully

1 occupied as a residence, the period for redemption shall be  
2 one year from the date of the sale.

3 "(3) When any real property is sold to a local  
4 government or local land bank in accordance with Section  
5 40-10-18 for the minimum bid specified in the decree of sale  
6 and the costs and expenses subsequently accruing, the period  
7 for redemption shall be one year from the date of the sale.

8 "(b) If any real property has been sold for taxes  
9 and is subject to redemption from the sale as set forth in  
10 subsection (a) and has also been sold in one or more  
11 subsequent sales for taxes, then any party entitled to redeem  
12 such sale for taxes may redeem such sale if the redemptioner  
13 simultaneously redeems his or her sale and all subsequent  
14 sales. In the event of a redemption of successive sales, the  
15 redemption amount shall be ascertained by applying the  
16 provisions of Sections 40-10-121 and 40-10-122. Redemption  
17 amounts computed pursuant to Section 40-10-121 shall be paid  
18 as stated therein. Redemption amounts computed pursuant to  
19 Section 40-10-122 shall be paid as stated therein if the  
20 purchaser had the right to redeem pursuant to subsection (a)  
21 or was the owner of the then current tax certificate or tax  
22 title. Otherwise, those funds shall be disposed of as set  
23 forth in Section 40-10-28 and paid to such purchaser or his or  
24 her assignee only as set forth in Section 40-10-28, with the  
25 time limits for such application computed utilizing the sale  
26 date when the purchaser's interest was sold for taxes.

27 "§40-10-184.

1           "(a) On the day and time designated for a tax lien  
2 auction, the tax collecting official shall proceed to auction  
3 all tax liens described in the tax lien auction list compiled  
4 as provided in Section 40-10-183, except those for which the  
5 taxes, penalties, interest, fees, and costs thereon have been  
6 paid. Any tax lien unsold after a tax lien auction shall be  
7 retained by the county for future auction or sale as provided  
8 in this article.

9           "(b) A tax lien shall be sold at auction pursuant to  
10 this article to the person who pays all taxes, interest,  
11 penalties, fees, and costs due on the property, including an  
12 origination cost of twenty dollars (\$20) as of the date of  
13 auction and a twenty dollar (\$20) auction fee, and who, in  
14 addition, bids the lowest interest rate on the amount required  
15 to be paid to redeem the property from the sale. The beginning  
16 interest rate bid shall not exceed a rate of 12 percent and  
17 additional bids may be made at a rate less than the  
18 immediately preceding bid. If the interest rate bid for the  
19 property reaches 0.00 percent and a bid is submitted by the  
20 local government or local land bank authority in which the  
21 property is located, the bid shall be accepted as the  
22 successful bid. The tender of the bid shall be for cash, with  
23 a credit for any and all amounts already due and payable to  
24 the local governmental entity submitting the bid. If no bid is  
25 submitted and more than one bidder remains, the tax collecting  
26 official shall draw lots to determine the winning bidder for  
27 the property.

1                   "(c) The sale of a tax lien does not extinguish any  
2 deed restriction, deed covenant, or easement on or appurtenant  
3 to the parcel. A tax lien offered for auction or sale shall be  
4 identified by a uniform parcel number and a legal  
5 description."

6                   Section 4. This act shall become effective  
7 immediately following its passage and approval by the  
8 Governor, or its otherwise becoming law.