

STATEMENT OF PURPOSE

RS31168 / S1337

Current Idaho law mandates that an irrigation district take a tax deed to property when assessments are 3 years delinquent. This legislation addresses two issues relating to delinquent irrigation district assessments:

1. This legislation provides a process for handling surplus proceeds. Under current law, property acquired through tax deed may be sold to satisfy the delinquency. There are no provisions for handling the surplus proceeds. A recent United States Supreme Court decision held that taking and selling a property to satisfy a debt to the government, and keeping the surplus as a windfall, violates the Takings Clause unless there is a process, including notice, to claim any surplus/excess funds.
2. The legislation provides options for irrigation districts. Under current law, an irrigation district must take a tax deed to resolve delinquencies. These amendments provide options for irrigation districts in the recovery of delinquent assessments, including (i) taking a tax deed; (ii) continuing to assess the property; or (iii) removing the water from land.

FISCAL NOTE

This legislation will have no impact on the state's General fund or any dedicated fund or federal fund, because it does not affect the operations or activities of any state agency.

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DISCLAIMER: This statement of purpose and fiscal note are a mere attachment to this bill and prepared by a proponent of the bill. It is neither intended as an expression of legislative intent nor intended for any use outside of the legislative process, including judicial review (Joint Rule 18).