

TITLE 43  
IRRIGATION DISTRICTS

CHAPTER 20  
PROVISIONS APPLICABLE TO IRRIGATION DISTRICTS AND DRAINAGE DISTRICTS

43-2001. RELEASE OF FIRST MORTGAGES HELD BY STATE UPON DISSOLUTION OF DISTRICTS. The state board of land commissioners is hereby empowered, whenever in its judgment the necessity requires, to release first mortgages on farm lands within the state of Idaho, held as security for loans made by said state, and accept in lieu thereof and as security for the payment of said loans, second mortgages in the full amount due, owing and unpaid on said released mortgages, subject to the following terms and conditions:

(a) The lien prior to said second mortgage shall represent only retired general obligation bonds and warrant indebtedness and the interest due thereon of the irrigation or drainage districts within which said lands are located.

(b) Said prior lien shall constitute only the pro rata acreage proportion of the total amount necessary to retire said general obligation bonds and warrant indebtedness and the interest due thereon.

(c) Said prior lien shall not exceed an amount equal to 75 per cent of the pro rata acreage proportion of the face value of the outstanding general obligation bonds and warrant indebtedness and interest due thereon retired.

(d) The interest rate on said prior lien shall not exceed the rate of 6 per cent per annum.

(e) The release and acceptance of a second mortgage shall be for the purpose of winding up the affairs and dissolution of the district.

[43-2001, added 1933, ch. 194, sec. 1, p. 385.]

43-2002. APPLICATION FOR RELEASE OF FIRST MORTGAGE -- CONTENTS. Application for release of first mortgages owned by the state of Idaho shall be filed with the director of the department of finance of the state of Idaho and shall be in such form and shall contain such information as the state board of land commissioners shall by rule provide. Every application shall contain the following information:

(a) The name of the irrigation or drainage district, its general location and its officers.

(b) The total acreage in the district.

(c) The total outstanding obligations of the district including the following:

(1) Bonds.

(2) Warrants.

(3) Interest on bond.

(4) Interest on warrants.

(5) Interest on bond coupons.

(6) Obligations outstanding for which warrants have not been issued.

(d) The assessment per acre for three (3) years prior to the date of the application itemized as follows:

(1) Current expense.

(2) Warrant redemption.

(3) Bond interest and sinking fund.

(e) The complete plan for refinancing and dissolution of the district.

(f) A description and the acreage of the property covered by the mortgage for which application for release is made, and a true and correct valuation thereof.

(g) The amount due on the mortgage sought to be released.

(h) The total amount and amount per acre required to retire the outstanding indebtedness of the district in which the land is situated.

(i) The term for which said prior lien shall extend, the annual rate of interest and the basis for retirement.

(j) Any other liens or encumbrances against said property and the amount of each.

(k) The name of the applicant, his residence or place of business (if a corporation, its officers and managing agent).

(l) Such other information as the board shall desire.

(m) Said application shall be verified by the oath of the applicant.

[43-2002, added 1933, ch. 194, sec. 2, p. 385; am. 1969, ch. 466, sec. 7, p. 1326; am. 1974, ch. 24, sec. 90, p. 744.]

43-2003. INVESTIGATION OF APPLICATION -- ORDER FOR RELEASE. The director of the department of finance shall make such investigation of the application as he shall deem necessary and shall submit the same, together with his recommendations to the state board of land commissioners. If, in the opinion of the state board of land commissioners, the release of the first mortgage held by the state of Idaho and acceptance in lieu thereof of a second mortgage will increase the value of the loan and enhance the value of the real property mortgaged to secure the payment thereof, and that the terms and conditions of said application are equitable and will protect the security of the loan made by the state of Idaho, it shall enter an order directing the release of the said first mortgage held by the state of Idaho and the acceptance of a second mortgage by the director of the department of finance in lieu thereof in such amount as shall be due the state of Idaho on said first mortgage. Said board may specify such terms and conditions to the release of said first mortgage and the acceptance of said second mortgage as it shall deem necessary.

[43-2003, added 1933, ch. 194, sec. 3, p. 385; am. 1969, ch. 466, sec. 8, p. 1326.]

43-2004. EXECUTION OF RELEASE. Release of first mortgages shall be signed by the chairman of the state board of land commissioners and countersigned by the secretary thereof.

[43-2004, added 1933, ch. 194, sec. 4, p. 385.]

43-2005. DELINQUENT DISTRICT ASSESSMENTS -- CANCELING, COMPROMISING OR EXTENDING TIME FOR PAYMENT -- REFUNDING OPERATIONS. The board of commissioners of any drainage district, or the board of directors of any irrigation district, in the state of Idaho, shall have the power to cancel, compromise, and/or extend the time for the payment of delinquent district assessments levied on lands within the district, where such district is refunding and reducing its outstanding indebtedness by agreement, through any governmental agency of the United States, or otherwise. Said cancellation, compromise, and/or extension of time for the payment of such delinquent taxes shall take effect if and when the refunding and reduction of said indebtedness is

completed, or at least ninety per cent (90%) completed. When the refunding and reduction of said indebtedness is completed, or at least ninety per cent (90%) completed, said board shall cause appropriate notation of said cancellation, compromise and/or extension of time for payment to be noted upon the proper records, and in the event said assessments are collected by county officers, said board shall transmit certified copies of the orders or resolutions providing for such cancellation, compromise, and/or extension of time for payment to the county auditor and the county tax collector, who shall make appropriate notation thereof upon the proper records. Provided, however, that the provisions of this section shall not be applicable in cases where such district has assigned its right to tax deed under the provisions of section [43-715](#), Idaho Code.

[43-2005, added 1935, ch. 146, sec. 1, p. 363.]

43-2006. ASSESSMENTS -- CANCELING, COMPROMISING OR EXTENDING TIME FOR PAYMENT -- REFUNDING OPERATIONS. The board of commissioners of any drainage district, or the board of directors of any irrigation district, in the state of Idaho, shall have the power to cancel, compromise, and/or extend the time for the payment of delinquent assessments heretofore levied by such board on lands within the district, where such district is refunding its outstanding indebtedness through any governmental agency of the United States. Said cancellation, compromise, and/or extension of time for the payment of such delinquent taxes shall not take effect until said refunding of said indebtedness is consummated. When the refunding of said indebtedness is completed said board shall cause appropriate notation of said cancellation, compromise, and/or extension of time for payment to be noted upon the proper records. Provided, however, that the provisions of this section shall not be applicable in such cases where such district has assigned its right to tax deed under the provisions of section [43-715](#) Idaho Code.

[43-2006, added 1935, ch. 126, sec. 1, p. 298.]

43-2007. LANDS MORTGAGED TO SECURE LOAN OF STATE ENDOWMENT FUNDS -- REPORT OF ASSESSMENTS AND LIENS -- PENALTY. It shall be the duty of the treasurer of every irrigation district, drainage district, or any person or corporation engaged in the business of furnishing water for irrigation and having the power to make assessments for maintenance or for any other purpose, or having a lien for maintenance or otherwise, to report to the state department of finance any such assessments or such claim of lien on any lands mortgaged to the state to secure a loan of state endowment funds such report to be made within sixty (60) days after written request for such report by said department. Said report shall be made for all lands on which there is a loan of state endowment funds whether the assessments thereon are delinquent or not; provided, that such request shall contain a description of all the property upon which a report is desired and shall not be made more than once a year and that forms for such report shall be furnished by said department. A failure to comply with the provisions of this section shall subject the party guilty of such failure to a penalty of three hundred dollars (\$300) to be recovered by the state in an appropriate action and to be paid into the general fund in the state treasury.

[(43-2007) 1925, ch. 109, sec. 1, p. 156; am. 1929, ch. 249, sec. 1, p. 507; I.C.A., sec. 42-724; am. 1969, ch. 466, sec. 9, p. 1326.]