



OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note

Fiscal Note On: HB 466 HLS 19RS 668
Bill Text Version: REENGROSSED
Opp. Chamb. Action: W/ SEN FLOOR AMD
Proposed Amd.:
Sub. Bill For.:

Date: June 4, 2019 1:09 PM Author: DAVIS
Dept./Agy.: Sheriffs' Offices Analyst: Philip Fach
Subject: Notification of Tax Sales

PROPERTY/RIGHTS REF SEE FISC NOTE LF EX Page 1 of 1
Provides relative to notice requirements for property that is subject to tax sales

Purpose of Bill: This bill requires the tax collector to demonstrate a reasonable and diligent effort to provide the original notice of tax sale to the tax debtor if the written notice is returned for any reason. The bill defines what may constitute "reasonable and diligent effort" as sending notice by first class mail and performing three of five additional steps outlined in the bill. When the tax collector demonstrates reasonable effort, the failure of the debtor to receive the actual notice shall not affect the validity of the tax sale. In addition, this bill requires the tax collector to send two additional written notices by certified mail to notify delinquent tax debtors of the consequences of their failure to pay delinquent taxes within 20 days of receipt of notice or shortly thereafter. These notices are to be sent before the property goes to tax sale and before the three year redemption period expires.

Table with columns: EXPENDITURES, REVENUES, 2019-20, 2020-21, 2021-22, 2022-23, 2023-24, 5-YEAR TOTAL. Rows include State Gen. Fd., Agy. Self-Gen., Ded./Other, Federal Funds, Local Funds, and Annual Total.

EXPENDITURE EXPLANATION

The impact on local fund expenditures may vary among individual Sheriffs' Offices.

An official with the East Baton Rouge Parish Sheriff's Office (EBRPSO) stated that the office currently performs certain steps provided for in the bill. Specifically, the office sends notice by first class mail and researches parish mortgage or conveyance records for addresses to which notices are sent by mail. These provisions will not increase EBRPSO expenditures.

However, the EBRPSO expenditures related to personnel, mailing, and equipment may increase to perform the additional steps that are not currently performed by the EBRPSO (e.g., resources needed to post notice at properties). The exact cost increases are indeterminable at this time.

An official with the West Feliciana Parish Sheriff's Office indicated that office expenditures may increase by an indeterminable amount to upgrade the sheriff's computer system to alert staff when notices are to be sent before the redemption period expires. This official also indicated that the cost of sending the notices by certified mail would have a minimal impact on office expenditures.

REVENUE EXPLANATION

The impact on local fund revenues may vary among individual Sheriffs' Offices.

The bill allows tax collectors to recover all reasonable and customary costs incurred while complying with the provisions of this bill. Therefore, tax collector revenues will increase to the extent they recoup these costs.

Senate Dual Referral Rules
13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Signature of Michael G. Battle
Michael G. Battle
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