

**BILL SUMMARY**  
1st Session of the 53rd Legislature

<b>Bill No.:</b>	<b>HB1893</b>
<b>Version:</b>	<b>Proposed Committee Substitute</b>
<b>Request Number:</b>	<b>9687</b>
<b>Author:</b>	<b>Scott</b>
<b>Date:</b>	<b>2/26/2011</b>
<b>Impact:</b>	<b>Pending</b>

**Research Analysis**

The proposed committee substitute for HB 1893 creates the Abandoned and Neglected Properties Act. The measure authorizes municipal officers, officials, or employees to declare property that has not been legally occupied for 12 months and meets certain criteria to be abandoned and neglected property.

The property may be determined to be a nuisance if the property is found to be unfit for habitation; the condition increases the risk of fire; is subject to unauthorized entry; presence of vermin or accumulation of debris; dilapidated appearance or other condition affects the welfare, including economic welfare of the residents of the area. The measure allows a summary action to transfer possession of abandoned and neglected property may be brought by a municipality in district court. The complaint must include documentation that the property is abandoned and neglected and a statement that the building be rehabilitated rather than demolished.

The measure allows an owner to defend a complaint by submitting a plan for the rehabilitation of property, several financial documents and securing a bond equal to 125% of the projected cost of the rehabilitation. If the court approves the plan, and the owner fails to carry out any steps in the approved plan, the property may be transferred to the municipality to complete the rehabilitation plan. Upon transfer to the municipality, the municipality is deemed to have an ownership interest and is authorized to borrow funds, grant a lien or security interest on the property and assign its rights to another qualified rehabilitation entity.

The municipality must file a Notice of Completion six months before the anticipated date on which rehabilitation will be complete. The owner may petition for reinstatement of the owner's control and possession within certain time limitations. The petition must include plans to complete rehabilitation, financial assurances, and certain payments and costs. The court may also require a bond to accompany the petition.

If the owner fails to petition for reinstatement and control within the provided time limitations, or fails to meet conditions set by the court in granting the reinstatement petition, the court may grant the municipality title or authorize the municipality to sell the property.

Prepared By: Andrea Merten

**Fiscal Analysis**

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## **Other Considerations**

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