

**Senate File 426 - Introduced**

SENATE FILE 426

BY KLIMESH

**A BILL FOR**

1 An Act relating to the acquisition of title to abandoned  
2 property in the unincorporated area of a county.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 448.13, Code 2021, is amended to read as  
2 follows:

3 **448.13 Cancellation of tax sale and certificate of purchase**  
4 **— refund of purchase money.**

5 If the county treasurer receives a verified statement from a  
6 city or county stating that a parcel sold at tax sale contains  
7 a building ~~which~~ that is abandoned, as those terms are defined  
8 in [section 657A.1](#), prior to redemption of the parcel under  
9 chapter 447 or the issuance of a tax deed for the parcel, and  
10 the verified statement is accompanied by a petition filed by  
11 the city or county under [section 657A.10B](#) for title to the  
12 parcel, the county treasurer shall make an entry in the county  
13 system canceling the sale of the parcel and shall refund the  
14 purchase money to the tax sale certificate holder.

15 Sec. 2. Section 657A.10B, Code 2021, is amended to read as  
16 follows:

17 **657A.10B Petition by city or county for title to abandoned**  
18 **property.**

19 1. For purposes of this section, when referring to the  
20 location of an abandoned building, "county" means only the area  
21 of the county located outside the limits of a city.

22 ~~1.~~ 2. a. In lieu of the procedures in sections 657A.1A  
23 through 657A.10 and [657A.10A](#), a city or county in which a  
24 building that has been abandoned for at least six consecutive  
25 months is located may petition the court to enter judgment  
26 awarding title to the abandoned property to the city or county.

27 A petition filed under [this section](#) shall include the legal  
28 description of the abandoned property. If more than one  
29 abandoned building is located on a parcel of real estate, the  
30 city or county may combine the actions into one petition.  
31 The owner of the building and grounds, mortgagees of record,  
32 lienholders of record, or other known persons who hold an  
33 interest in the property shall be named as respondents on the  
34 petition.

35 b. The petition shall be filed in the district court of the

1 county in which the property is located. Service on the owner  
2 and any other named respondents shall be by personal service or  
3 certified mail or, if service cannot be made by either method,  
4 by posting the notice in a conspicuous place on the building  
5 and by publication in a newspaper of general circulation in the  
6 city or county. The notice shall include a statement of the  
7 city's or county's intended use of the property or purpose for  
8 acquiring the property. The action shall be in equity.

9 c. A county shall not petition to acquire title to any  
10 property under this section if the property is larger than two  
11 and one-half acres.

12 d. A county shall not petition to acquire title to a  
13 property under this section unless the county submits to the  
14 court a plan to transfer title to the property to another  
15 entity no more than eighteen months after the court enters  
16 judgment and order awarding title to the county under this  
17 section.

18 ~~2.~~ 3. Not sooner than sixty days after the filing of the  
19 petition, the city or county may request a hearing on the  
20 petition.

21 ~~3.~~ 4. In determining whether a property has been abandoned,  
22 the court shall consider the following for each building that  
23 is located on the property and named in the petition and the  
24 building grounds:

25 a. Whether any property taxes or special assessments on the  
26 property were delinquent at the time the petition was filed.

27 b. Whether any utilities are currently being provided to  
28 the property.

29 c. Whether the building is unoccupied by the owner or  
30 lessees or licensees of the owner.

31 d. Whether the building meets the city's or county's housing  
32 code as being fit for human habitation, occupancy, or use.

33 e. Whether the building meets the city's or county's  
34 building code as being fit for occupancy or use.

35 f. Whether the building is exposed to the elements such that

1 deterioration of the building is occurring.

2 *g.* Whether the building is boarded up or otherwise secured  
3 from unauthorized entry.

4 *h.* Past efforts to rehabilitate the building and grounds.

5 *i.* Whether those claiming an interest in the property have,  
6 prior to the filing of the petition, demonstrated a good-faith  
7 effort to restore the property to productive use.

8 *j.* The presence of vermin, accumulation of debris, and uncut  
9 vegetation.

10 *k.* The effort expended by the petitioning city or county to  
11 maintain the building and grounds.

12 *l.* Past and current compliance with orders of the local  
13 housing or building code official.

14 *m.* Any other evidence the court deems relevant.

15 ~~4.~~ 5. In lieu of the considerations in subsection ~~3,~~ 4, if  
16 the city or county can establish to the court's satisfaction  
17 that all parties with an interest in the property have received  
18 proper notice and either consented to the entry of an order  
19 awarding title to the property to the city or county or did  
20 not make a good-faith effort to comply with the order of the  
21 local housing or building code official within sixty days after  
22 the filing of the petition, the court shall enter judgment  
23 against the respondents granting the city or county title to  
24 the property.

25 ~~5.~~ 6. a. If the court determines that the property has  
26 been abandoned or that [subsection 4 5](#) applies, the court shall  
27 enter judgment and order awarding title to the city or county.  
28 The title awarded to the city or county shall be free and clear  
29 of any claims, liens, or encumbrances held by the respondents.

30 b. If the court enters judgment and order awarding title  
31 to a county, the court shall enforce the county's plan under  
32 subsection 2 to transfer title to the property to another  
33 entity no more than eighteen months after the court's judgment  
34 and order.

35 ~~6.~~ 7. If a city or county files a petition under subsection

1 ± 2, naming the holder of a tax sale certificate of purchase  
2 for the property as a respondent, the city or county shall also  
3 file the petition, along with a verified statement declaring  
4 that the property identified in the petition contains an  
5 abandoned building, with the county treasurer. Upon receiving  
6 the petition and verified statement, the county treasurer shall  
7 make an entry in the county system canceling the sale of the  
8 property and shall refund the purchase money to the tax sale  
9 certificate holder.

10 8. This section does not apply to a house, barn,  
11 outbuilding, or structure located on agricultural land outside  
12 the limits of a city. For purposes of this subsection,  
13 "agricultural land" means land suitable for use in farming. For  
14 purposes of this subsection, "farming" means the cultivation of  
15 land for the production of agricultural crops, the production  
16 of fruit or other horticultural crops, grazing, or the  
17 production of livestock.

18 EXPLANATION

19 The inclusion of this explanation does not constitute agreement with  
20 the explanation's substance by the members of the general assembly.

21 This bill relates to the acquisition of title to abandoned  
22 property in the unincorporated area of a county. Current law  
23 provides a process for a city to petition a district court to  
24 enter judgment awarding title to abandoned property in the city  
25 to the city when the property has been abandoned for at least  
26 six months. The bill authorizes a county to follow the same  
27 process for property located outside of the limits of a city if  
28 the property is no larger than 2.5 acres.

29 The bill requires a city or county petitioning to acquire  
30 title to an abandoned property to include in a notice made to  
31 an owner, other named respondents, or the public a statement  
32 of the city's or county's intended use of the property or  
33 purpose for acquiring the property. The bill requires a county  
34 petitioning to acquire title to an abandoned property under the  
35 bill to submit to the court a plan to transfer title to the

1 property to another entity no more than 18 months after the  
2 court's judgment and order awarding title to the property, and  
3 the court shall enforce such plan upon entering the judgment  
4 and order.

5 The bill does not apply to a house, barn, outbuilding, or  
6 structure located on agricultural land outside the limits of  
7 a city. The bill defines the terms "county", "agricultural  
8 land", and "farming". The bill makes conforming changes  
9 relating to the cancellation of a tax sale certificate for an  
10 abandoned property for which a city or county has acquired  
11 title.