

**BILL SUMMARY**  
1<sup>st</sup> Session of the 58<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>HB 2423</b>
<b>Version:</b>	<b>INT</b>
<b>Request Number:</b>	<b>6362</b>
<b>Author:</b>	<b>Rep. Nichols</b>
<b>Date:</b>	<b>2/15/2021</b>
<b>Impact:</b>	<b>Cities and Towns</b>

**Provides Code Lien Foreclosure Procedures  
For Certain Properties**

**Research Analysis**

HB 2423, as introduced, provides that any fees, penalties, and abatement costs imposed against a property for violations of a municipality's housing and building codes may be enforced as a lien. The measure excludes owner occupied real property. A municipal code lien would be superior to all other liens except those for taxes. A municipality would be able to proceed with a judicial foreclosure on a property with a municipal lien, by enactment of an ordinance or resolution. An ordinance or resolution approving the use of this act would have to include the effective date, applicability of the procedures to all properties as of some future date, explicit exclusion of owner-occupied properties, nature and extent of notices and referrals, and any other matters the municipality deems necessary.

Once a municipal code lien has been recorded with the county clerk, a code enforcement director may identify the properties on which to begin a foreclosure. The petition for foreclosure would not be able to be filed for 6 months following the date on which the municipal lien is recorded.

Prepared By: Sean Webster

**Fiscal Analysis**

The measure provides for procedures relating to municipal code liens. Certain filings and mailings may include incidental costs. Any revenue or fiscal impacts would be dependent on the actions related to the procedures provided in the measure.

Prepared By: Mark Tygret

**Other Considerations**

None.