# SLS 13RS-261

# **ENGROSSED**

Regular Session, 2013

SENATE BILL NO. 51

BY SENATOR LONG

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

CIVIL PROCEDURE. Provides relative to municipal and parish actions, liens, and proceedings for blighted or abandoned property and for violations of public health, housing and certain other ordinances. (gov sig)

1	AN ACT
2	To amend and reenact R.S. 13:2575(A), (B), (C)(2), (D), (F) and (H) and
3	2576(A)(introductory paragraph) and to enact R.S. 13:2576(A)(7), relative to
4	administrative adjudication procedures for blighted or abandoned property, public
5	health, housing, fire code, environmental and other ordinance violations; to provide
6	certain municipal and parish population requirements and restrictions; to provide
7	certain terms, conditions, requirements, and procedures; to provide for the
8	enforcement of ordinances through administrative adjudication procedures and other
9	procedures, including liens, actions and tax sales; to provide for the effects of such
10	procedures and judgments; and to provide for related matters.
11	Be it enacted by the Legislature of Louisiana:
12	Section 1. R.S. 13:2575(A), (B), (C)(2), (D), (F) and (H) and 2576(A)(introductory
13	paragraph) are hereby amended and reenacted and R.S. 13:2576(A)(7) is hereby enacted to
14	read as follows:
15	§2575. Municipalities with populations in excess of three hundred thousand;
16	Blighted or abandoned property; public health, housing, fire code,
17	building code and certain other ordinance and environmental

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#### ENGROSSED SB NO. 51

1 violations; administrative adjudication; procedure; appeal; penalties A.(1) Any municipality or parish may prescribe civil fines for blighted 2 property, abandoned property, or violation of public health, housing, fire code, 3 environmental, and historic district ordinances in the municipality or parish by 4 5 owners of immovable property, their agents, tenants, or representatives pursuant to the procedures for administrative adjudication provided in this Chapter. For the 6 purposes of this Chapter, "housing violations" shall encompass only those conditions 7 8 in privately owned structures which are determined to constitute a threat or danger 9 to the public health, safety or welfare and/or to the environment, or a historic district. 10 In municipalities with a population of seventy thousand or more, the term "housing violation" as used in this Chapter shall also encompass building codes, zoning, 11 vegetation, and nuisance ordinances. However, nothing in this Section shall be 12 13 construed to affect activities which occur on the premises of manufacturing facilities and which are regulated by Title 30 of the Louisiana Revised Statutes of 1950. 14

15(2) For purposes of this Chapter, except in any parish with a population16of more than three hundred thousand and less than four hundred thousand17according to the latest federal decennial census, "blighted property" shall have18the same meaning as provided in R.S. 33:1374, and "abandoned property" shall19have the same meaning as provided in R.S. 33:4720.59.

B.(1) Any municipality or parish may adopt an ordinance or ordinances 20 21 establishing an administrative adjudication hearing procedure under the provisions 22 of this Chapter. The ordinance or ordinances shall provide for a time period for persons charged with owning blighted or abandoned property, or violating a 23 public health, housing, fire code, environmental, and historic district ordinance to 24 have a hearing under the provisions of this Chapter. The ordinance shall provide for 25 the appointment of one or more hearing officers who may be the director of health 26 27 of the municipality or parish or the health officer of the parish in which the municipality is located or the designee of such official or, in the discretion of the 28 29 governing authority, who may be a person who shall have been licensed to practice

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1	law in Louisiana for two years.
2	(2) Except in any parish with a population of more than three hundred
3	thousand and less than four hundred thousand according to the latest federal
4	decennial census, any municipality or parish that adopts an ordinance
5	establishing an administrative adjudication hearing procedure for determining
6	property to be blighted or abandoned, shall provide notice to the property
7	owners and to all mortgage holders as provided in Subparagraphs (D)(2) and
8	(F)(2) of this Section.
9	(3) Each municipality or parish shall have the authority to empower the
10	hearing officer with authority to:
11	* * *
12	C. (1)
13	* * *
14	(2) Any liens placed against such immovable property shall be included in
15	the next annual ad valorem tax bill and shall be paid along with such taxes, subject,
16	however, to any valid homestead exemption. Failure to pay the liens shall cause the
17	immovable property in or on which the violation occurred to be subject to the same
18	provisions of law as govern tax sales of immovable property, except that in
19	municipalities with populations in excess of three hundred thousand according to the
20	latest federal decennial census, when the immovable property has been declared
21	blighted or a public nuisance by an administrative hearing officer acting in
22	accordance with this Section, the property owners and other parties having interests
23	in the property shall not have a right of redemption. However, if the immovable
24	property has been sold for nonpayment of taxes to a tax sale purchaser other than the
25	municipality, and if the right of redemption from the tax sale has not elapsed at least
26	one year prior to the sale pursuant to this Section, the tax sale purchaser shall have
27	a right of redemption from the sale pursuant to this Section until one year after the
28	right of redemption from the tax sale elapses. In addition, in municipalities with
29	populations in excess of three hundred thousand according to the latest federal

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decennial census; failure to pay the liens shall also cause such liens and privileges to be subject to enforcement in accordance with R.S. 13:2576. Any liens placed against immovable property that has a legal homestead exemption from taxes will become payable ninety days after the death of the owner thereof or immediately upon recordation of any conventional mortgage on the immovable property or transfer of title to a new owner, whichever occurs first.

7 D.(1) Prior to holding an administrative hearing for public health, housing, 8 fire code, environmental, and historic district violations, the municipality or parish 9 shall notify the property owner at least fifteen days in advance of the date that such 10 a hearing is scheduled. This notification shall state the time, date, and location of the 11 hearing, the alleged violations, and it shall be sent by certified or registered United 12 States mail to the violator or personally served on the violator at the address as listed 13 in the assessor's office of the municipality or parish. The date of the postmark shall be deemed to be the date of delivery. Any notification so sent and returned by the 14 United States Post Office shall be considered as having fulfilled the notification 15 requirement. Failure of any person charged with a violation to appear at the hearing 16 shall be considered an admission of liability for the charged violation. Any order 17 compelling the attendance of witnesses or the production of documents may be 18 19 enforced by the city or municipal court of the municipality or the parish court in 20 whose jurisdiction the municipality is located, or in the parish court of the parish 21 initiating the action.

22 (2) Except in any parish with a population of more than three hundred thousand and less than four hundred thousand according to the latest federal 23 decennial census, prior to holding an administrative hearing for the 24 determination of blight or abandonment of property, the municipality or parish 25 shall notify the property owner and all current mortgage holders holding a 26 27 mortgage recorded in the parish mortgage records, at least fifteen days in 28 advance of the date of the administrative hearing. The notification shall state 29 the time, date, and location of the hearing, the location of the subject property,

1 and an explanation that the hearing is for the purpose of making a 2 determination whether the subject property is blighted or abandoned. The notice shall be sent by certified or registered United States mail or personally 3 served on the property owner at the address listed in the assessor's office of the 4 municipality or parish, and on each mortgage holder at the address provided 5 in the recorded mortgage. 6 7 8 F.(1) The hearing officer shall issue an order within thirty days, excluding 9 legal holidays, of the hearing stating whether or not the person charged is liable for 10 the violation, and the amount of any fine, penalty, costs, or fee assessed against him, and a date by which the violation shall be corrected. In addition to the enforcement 11

procedure and authority set forth in Paragraph (B)(2) of this Section, any order 12 13 assessing a fine, penalty, costs, or fee or stipulating a correction date may be enforced by the city or municipal court of the municipality or the parish court in 14 whose jurisdiction the municipality is located, or in the parish court of the parish 15 initiating the action. 16

(2) Except in any parish with a population of more than three hundred 17 thousand and less than four hundred thousand according to the latest federal 18 19 decennial census, within thirty days, excluding legal holidays, after the hearing to determine whether a property is blighted or abandoned, the hearing officer 20 21 shall send written post hearing notice to the property owner and current 22 mortgage holders explaining whether the hearing officer determined the subject property to be blighted or abandoned and state whether any fine, penalty, costs, 23 24 or fees are assessed. The post hearing notice shall be sent to the property owner and current mortgage holders in the manner provided for in Subparagraph 25 26 (D)(2) of this Section.

27 H. Any property owner or mortgage holder of property determined to 28 29 be blighted or abandoned property, or any person determined by the hearing

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1 officer to be in violation of a public health, housing, fire code, environmental, or 2 historic district ordinance may appeal this determination to the appropriate district court. Such appeal shall be instituted by filing, within thirty calendar days of the 3 hearing officer's order, a petition with the clerk of court for the district court along 4 5 with payment of such reasonable costs as may be required by the clerk. After filing a petition for appeal, the clerk of court of the district court shall schedule a hearing 6 7 and notify all parties of the date, time, and place of such hearing. Service of notice 8 of appeal under this Subsection shall not stay the enforcement and collection of the 9 judgment unless the person who files the appeal furnishes security prior to filing 10 notice of appeal with the agency of the municipality or parish designated by ordinance to accept such payments in the amount to be fixed by the hearing officer 11 sufficient to assure satisfaction of the finding of the hearing officer relative to the 12 13 fine, fee, penalty, costs of the hearing, and costs, if any, of correcting the violation. 14 §2576. Administrative adjudication of blighted or abandoned property, public 15 health, housing, fire code, environmental, and historic district 16 17 violations; municipalities with a population in excess of three hundred thousand 18 19 A. In each any municipality or parish having a population of three hundred 20 thousand or more according to the latest federal decennial census, the failure to pay the liens, privileges, and judicial mortgages, and any fines, fees, penalties, or hearing 21 22 costs imposed pursuant to R.S. 13:2575 shall cause the liens, privileges, and judicial mortgages, and any fines, fees, penalties, or hearing costs to be enforceable pursuant 23 to the following provisions, in addition to those provided for in R.S. 13:2575: 24 25 26 (7) If property for which tax sale title was acquired and held by a 27 political subdivision pursuant to R.S. 47:2196 is sold pursuant to this Chapter, upon recordation of such sale the property shall no longer be deemed 28 adjudicated property. For purposes of any rights of redemption required 29

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1	pursuant to state law, the redemption period shall be deemed to have
2	commenced on the date of the recordation of the initial adjudication to the
3	political subdivision and not on the date of sale pursuant to this Chapter.
4	* * *
5	Section 2. This Act shall become effective upon signature by the governor or, if not
6	signed by the governor, upon expiration of the time for bills to become law without signature
7	by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
8	vetoed by the governor and subsequently approved by the legislature, this Act shall become
9	effective on the day following such approval.

The original instrument was prepared by Julie J. Baxter. The following digest, which does not constitute a part of the legislative instrument, was prepared by J. W. Wiley.

### DIGEST

Long (SB 51)

<u>Present law</u> provides that any municipality or parish may prescribe civil fines for violation of public health, house, fire code, environmental, and historic district ordinances in the municipality or parish by owners of immovable property, their agents, tenants, or representatives pursuant to the procedures for administrative adjudication provided in the <u>present law</u>.

Proposed law retains present law and adds civil fines for blighted or abandoned property.

Proposed law provides for the definitions of blighted property and abandoned property.

<u>Proposed law</u> exempts any parish whose populations is more than 300,000 and less than 400,000 from the provisions of <u>proposed law</u>.

<u>Present law</u> provides that any municipality or parish may adopt an ordinance or ordinances establishing an administrative adjudication hearing procedure under the provisions of <u>present law</u>.

<u>Proposed law</u> provides that any municipality or parish may adopt an ordinance or ordinances establishing an administrative adjudication hearing procedure for blighted or abandoned property.

<u>Present law</u> provides that any liens against immovable property as a result of such violations shall be included in the next annual ad valorem tax bill and all be paid along with such taxes, subject to any valid homestead exemption. Further provides that failure to pay such liens shall cause the immovable property in or on which the violation occurred to be subject to the same provisions of law as govern tax sales of immovable property, except that, in municipalities with populations in excess of 300,000, when the immovable property has been declared blighted or a public nuisance by an administrative hearing officer, the property owners and other parties having interests in the property shall not have a right of redemption.

<u>Present law</u> provides that, in municipalities with populations in excess of 300,000, failure to pay certain liens shall cause such liens and privileges to be subject to enforcement in

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accordance with R.S. 13:2576.

<u>Proposed law</u> removes present reference to municipalities with populations in excess of 300,000, so that failure to pay certain liens in any municipality or parish shall cause such liens and privileges to be subject to enforcement in accordance with R.S. 13:2576.

<u>Present law</u> provides that prior to holding an administrative hearing for public health, housing, fire code, environmental, and historic district violations, the municipality or parish shall notify the property owner at least 15 days in advance of the date that such a hearing is scheduled. Further provides for the requirements of the notification.

<u>Proposed law</u> provides that, except in any parish with a population of more than 300,000 and less than 400,000 according to the latest federal decennial census, prior to holding an administrative hearing for determination of blight or abandonment of property, the municipality or parish shall notify the property owner at least 15 days in advance of the date that such a hearing is scheduled. Further provides for the requirements of the notification.

<u>Present law</u> provides that hearing officer will issue an order within 30 days, excluding legal holidays, of the hearing stating whether or not the person charged is liable for the violation, and the amount of any fine, penalty, costs, or fee assessed against him, and a date by which the violation shall be corrected.

<u>Proposed law</u> provides that, except in any parish with a population of more than 300,000 and less than 400,000 according to the latest federal decennial census, within 30 days, excluding legal holidays, after the hearing to determine whether a property is blighted or abandoned, the hearing officer shall send written post hearing notice to the property owner and current mortgage holders explaining whether the hearing officer determined the subject property to be blighted or abandoned and state whether any fine, penalty, costs, or fees are assessed.

<u>Present law</u> provides that any person determined by the hearing officer to be in violation of a public health, housing, fire code, environmental, or historic district ordinance may appeal this determination to the appropriate district court and provides for the appeal process.

<u>Proposed law</u> retains <u>present law</u> and adds blighted or abandoned property determination to the <u>present law</u> appeal process.

<u>Present law</u> references administrative adjudication of public health, housing, fire code, environmental and historic district violations.

<u>Proposed law</u> adds references to administrative adjudication of blighted or abandoned property.

<u>Present law</u> provides that in each municipality having a population of 300,000 or more, the failure to pay liens, privileges, judicial mortgages and any fines, fees, penalties or hearing costs imposed pursuant to R.S. 13:2575 shall cause the lien, privileges, judicial mortgages and any fines, fees, penalties or hearing costs to be enforceable pursuant to certain provisions listed.

<u>Proposed law</u> removes reference to municipalities having a population of 300,000 or more, making <u>present law</u> applicable to any municipality or parish.

<u>Proposed law</u> provides that if property for which tax sale title was acquired and held by a political subdivision pursuant to R.S. 47:2196 is sold pursuant to the <u>present</u> and <u>proposed</u> <u>law</u>, upon recordation of such sale the property shall no longer be deemed adjudicated property. For purposes of any rights of redemption required pursuant to state law, the redemption period shall be deemed to have commenced on the date of the recordation of the initial adjudication to the political subdivision and not on the date of sale pursuant to the <u>present</u> and <u>proposed</u> law.

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Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 13:2575(A), (B), (C)(2), (D), (F) and (H) and 2576(A)(intro para); adds R.S. 13:2576(A)(7))

# Summary of Amendments Adopted by Senate

# <u>Committee Amendments Proposed by Senate Committee on Senate and</u> <u>Governmental Affairs to the engrossed bill</u>

- 1. Exempts any parish whose populations is more than 300,000 and less than 400,000 from the provisions of <u>proposed law</u>.
- 2. Adds definitions.
- 3. Adds a hearing procedure for blighted or abandoned property, including prehearing notice, post-hearing determination, and appeals process.