The Senate Finance and Public Utilities Committee offered the following substitute to SB 462:

A BILL TO BE ENTITLED AN ACT

To amend Chapter 2 of Title 41 of the Official Code of Georgia Annotated, relating to the abatement of nuisances, so as to change definitions; to clarify the procedures for imposition and collection of nuisance abatement liens; to clarify procedures relating to the collection of tax liens; to amend Chapter 4 of Title 48 of the Official Code of Georgia Annotated, relating to tax sales, so as to change provisions relating to judicial in rem tax foreclosures; to incorporate changes made to Chapter 2 of Title 41; to provide for related matters; to provide an effective date; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

Chapter 2 of Title 41 of the Official Code of Georgia Annotated, relating to the abatement of nuisances, is amended by striking in its entirety Code Section 41-2-8, relating to definitions, and inserting in lieu thereof the following:

"41-2-8.

As used in Code Section 41-2-7, this Code section, and Code Sections 41-2-9 through 41-2-17, the term:

(1) 'Applicable codes' means (A) any optional housing or abatement standard provided in Chapter 2 of Title 8 as adopted by ordinance or operation of law, or other property maintenance standards as adopted by ordinance or operation of law, or general nuisance law, relative to the safe use of real property; (B) any fire or life safety code as provided for in Chapter 2 of Title 25; and (C) any building codes adopted by local ordinance prior to October 1, 1991, or the minimum standard codes provided in Chapter 2 of Title 8 after October 1, provided that such building or minimum standard codes for real property improvements shall be deemed to mean those building or minimum standard codes in existence at the time such real property improvements were constructed unless otherwise provided by law.

(2) 'Closing' means causing a dwelling, building, or structure to be vacated and secured against unauthorized entry.

- (3) 'Drug crime' means an act which is a violation of Article 2 of Chapter 13 of Title 16, known as the 'Georgia Controlled Substances Act.'
- (4) 'Dwellings, buildings, or structures' means any building or structure or part thereof used and occupied for human habitation or commercial, industrial, or business uses, or intended to be so used, and includes any outhouses, improvements, and appurtenances belonging thereto or usually enjoyed therewith and also includes any building or structure of any design. As used in Code Section 41-2-7, this Code section, and Code Sections 41-2-9 through 41-2-17, the term 'dwellings, buildings, or structures' shall not mean or include any farm, any building or structure located on a farm, or any agricultural facility or other building or structure used for the production, growing, raising, harvesting, storage, or processing of crops, livestock, poultry, or other farm products.
- (5) 'Governing authority' means the board of commissioners or sole commissioner of a county or the council, board of commissioners, board of aldermen, or other legislative body charged with governing a municipality.
- (6) 'Interested party' means:

- (A) Those parties having an interest in the property as revealed by a certification of title to the property conducted in accordance with the title standards of the State Bar of Georgia;
- (B) Those parties having filed a notice in accordance with Code Section 48-3-9;
- (C) Any other party having an interest in the property whose identity and address are reasonably ascertainable from the records of the petitioner or records maintained in the county courthouse or by the clerk of the court. 'Interested party' shall not include the holder of the benefit or burden of any easement or right of way whose interest is properly recorded which interest shall remain unaffected; and
- (D) Persons in possession of said property and premises.
- (6)(7) 'Municipality' means any incorporated city within this state.
- (7)(8) 'Owner' means the holder of the title in fee simple and every mortgagee of record.
- 30 (8) 'Parties in interest' means:
 - (A) Persons in possession of said property and premises;
 - (B) Persons having of record in the county in which the dwelling, building, or structure is located any vested right, title, or interest in or lien upon such dwelling, building, or structure or the lot, tract, or parcel of real property upon which the structure is situated or upon which the public health hazard or general nuisance exists based upon a 50 year

title examination conducted in accordance with the title standards of the State Bar of Georgia;

- (C) Persons having paid an occupational tax to the governing authority for a location or office at the subject building or structure; or
- (D) Persons having filed a property tax return with the governing authority as to the subject property, building, or structure.
- (9) 'Public authority' means any member of a governing authority, any housing authority officer, or any officer who is in charge of any department or branch of the government of the municipality, county, or state relating to health, fire, or building regulations or to other activities concerning dwellings, buildings, or structures in the county or municipality.
- (10) 'Public officer' means the officer or officers who are authorized by Code Section 41-2-7, this Code section, and Code Sections 41-2-9 through 41-2-17 and by ordinances adopted under Code Section 41-2-7, this Code section, and Code Sections 41-2-9 through 41-2-17 to exercise the powers prescribed by such ordinances or any agent of such officer or officers.
- (11) 'Repair' means altering or improving a dwelling, building, or structure so as to bring the structure into compliance with the applicable codes in the jurisdiction where the property is located and the cleaning or removal of debris, trash, and other materials present and accumulated which create a health or safety hazard in or about any dwelling, building, or structure.
- (12) 'Resident' means any person residing in the jurisdiction where the property is located on or after the date on which the alleged nuisance arose."

24 SECTION 2.

Said chapter is further amended in Code Section 41-2-9, relating to county or municipal ordinances relating to unfit buildings or structures, by striking subsections (a) and (b) and inserting in lieu thereof the following:

"(a) In addition to any other remedies or enforcement mechanisms available, upon the adoption of an ordinance finding that dwelling, building, or structure conditions of the character described in Code Section 41-2-7 exist within a county or municipality, the governing body of such county or municipality is authorized to adopt ordinances relating to the dwellings, buildings, or structures within such county or municipality which are unfit for human habitation or commercial, industrial, or business uses and not in compliance with applicable codes, which are vacant and being used in connection with the commission of drug crimes, or which constitute an endangerment to the public health or safety as a

result of unsanitary or unsafe conditions. Such ordinances shall include at least the following provisions:

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35

36

- (1) That it is the duty of the owner of every dwelling, building, structure, or property within the jurisdiction to construct and maintain such dwelling, building, structure, or property in conformance with applicable codes in force within the jurisdiction, or such ordinances which regulate and prohibit activities on property and which declare it to be a public nuisance to construct or maintain any dwelling, building, structure, or property in violation of such codes or ordinances;
- (2) That a public officer be designated or appointed to exercise the powers prescribed by the ordinances;
- (3) That whenever a request is filed with the public officer by a public authority or by at least five residents of the municipality or by five residents of the unincorporated area of the county if the property in question is located in the unincorporated area of the county charging that any dwelling, building, structure, or property is unfit for human habitation or for commercial, industrial, or business use and not in compliance with applicable codes; is vacant and being used in connection with the commission of drug crimes; or constitutes an endangerment to the public health or safety as a result of unsanitary or unsafe conditions, the public officer shall make an investigation or inspection of the specific dwelling, building, structure, or property. If the officer's investigation or inspection identifies that any dwelling, building, structure, or property is unfit for human habitation or for commercial, industrial, or business use and not in compliance with applicable codes; is vacant and being used in connection with the commission of drug crimes; or constitutes an endangerment to the public health or safety as a result of unsanitary or unsafe conditions, the public officer may issue a complaint in rem against the lot, tract, or parcel of real property on which such dwelling, building, or structure is situated or where such public health hazard or general nuisance exists and shall cause summons and a copy of the complaint to be served on the owner and parties in interest in interested parties for such dwelling, building, or structure. The complaint shall identify the subject real property by appropriate street address and official tax map reference; identify the owner and parties in interest interested parties; state with particularity the factual basis for the action; and contain a statement of the action sought by the public officer to abate the alleged nuisance. The summons shall notify the owner and parties in interest interested parties that a hearing will be held before a court of competent jurisdiction as determined by Code Section 41-2-5, at a date and time certain and at a place within the county or municipality where the property is located. Such hearing shall be held not less than 15 days nor more than 45 days after the filing of said

complaint in the proper court. The owner and parties in interest <u>interested parties</u> shall have the right to file an answer to the complaint and to appear in person or by attorney and offer testimony at the time and place fixed for hearing;

- (4) That if, after such notice and hearing, the court determines that the dwelling, building, or structure in question is unfit for human habitation or is unfit for its current commercial, industrial, or business use and not in compliance with applicable codes; is vacant and being used in connection with the commission of drug crimes; or constitutes an endangerment to the public health or safety as a result of unsanitary or unsafe conditions, the court shall state in writing findings of fact in support of such determination and shall issue and cause to be served upon the owner and any parties in interest interested parties that have answered the complaint or appeared at the hearing an order:
 - (A) If the repair, alteration, or improvement of the said dwelling, building, or structure can be made at a reasonable cost in relation to the present value of the dwelling, building, or structure, requiring the owner, within the time specified in the order, to repair, alter, or improve such dwelling, building, or structure so as to bring it into full compliance with the applicable codes relevant to the cited violation and, if applicable, to secure the structure so that it cannot be used in connection with the commission of drug crimes; or
 - (B) If the repair, alteration, or improvement of the said dwelling, building, or structure in order to bring it into full compliance with applicable codes relevant to the cited violations cannot be made at a reasonable cost in relation to the present value of the dwelling, building, or structure, requiring the owner, within the time specified in the order, to demolish and remove such dwelling, building, or structure and all debris from the property.

For purposes of this Code section, the court shall make its determination of 'reasonable cost in relation to the present value of the dwelling, building, or structure' without consideration of the value of the land on which the structure is situated; provided, however, that costs of the preparation necessary to repair, alter, or improve a structure may be considered. Income and financial status of the owner shall not be factor in the court's determination. The present value of the structure and the costs of repair, alteration, or improvement may be established by affidavits of real estate appraisers with a Georgia appraiser classification as provided in Chapter 39A of Title 43, qualified building contractors, or qualified building inspectors without actual testimony presented. Costs of repair, alteration, or improvement of the structure shall be the cost necessary to bring the

structure into compliance with the applicable codes relevant to the cited violations in force in the jurisdiction;

(5) That, if the owner fails to comply with an order to repair or demolish the dwelling, building, or structure, the public officer may cause such dwelling, building, or structure to be repaired, altered, or improved or to be vacated and closed or demolished. <u>Such abatement action shall commence within 270 days after the expiration of time specified in the order for abatement by the owner. Any time during which such action is prohibited by a court order issued pursuant to Code Section 41-2-13 or any other equitable relief granted by a court of competent jurisdiction shall not be counted toward the 270 days in which such abatement action must commence. The public officer shall cause to be posted on the main entrance of the building, dwelling, or structure a placard with the following words:</u>

This building is unfit for human habitation or commercial, industrial, or business use and does not comply with the applicable codes or has been ordered secured to prevent its use in connection with drug crimes or constitutes an endangerment to public health or safety as a result of unsanitary or unsafe conditions. The use or occupation of this building is prohibited and unlawful.';

- (6) If the public officer has the structure demolished, reasonable effort shall be made to salvage reusable materials for credit against the cost of demolition. The proceeds of any moneys received from the sale of salvaged materials shall be used or applied against the cost of the demolition and removal of the structure, and proper records shall be kept showing application of sales proceeds. Any such sale of salvaged materials may be made without the necessity of public advertisement and bid. The public officer and governing authority are relieved of any and all liability resulting from or occasioned by the sale of any such salvaged materials, including, without limitation, defects in such salvaged materials; and
- (7) That the amount of the cost of demolition, including all court costs, appraisal fees, administrative costs incurred by the <u>county</u> tax commissioner <u>or municipal tax collector</u> <u>or city revenue officer</u>, and all other costs necessarily associated with the abatement action, including restoration to grade of the real property after demolition, shall be a lien against the real property upon which such cost was incurred.
- (b)(1) The lien provided for in paragraph (7) of subsection (a) of this Code section shall attach to the real property upon the filing of a certified copy of the order requiring repair, closure, or demolition in the office of the clerk of superior court in the county where the real property is located and shall relate back to the date of the filing of the lis pendens notice required under subsection (g) (c) of Code Section 41-2-12. The clerk of superior

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35

36

court shall record and index such certified copy of the order in the deed records of the county and enter the lien on the general execution docket. The lien shall be superior to all other liens on the property, except liens for taxes to which the lien shall be inferior, and shall continue in force until paid. After filing a certified copy of the order with the clerk of superior court, the public officer shall forward a copy of the order and a final statement of costs to the county tax commissioner.

- (2) Upon final determination of costs, fees, and expenses incurred in accordance with this chapter, the public officer responsible for enforcement actions in accordance with this chapter shall transmit to the appropriate county tax commissioner or municipal tax collector or city revenue officer a statement of the total amount due and secured by said lien, together with copies of all notices provided to interested parties. The statement of the public officer shall be transmitted within 90 days of completion of the repairs, demolition, or closure. It shall be the duty of the appropriate county tax commissioner to collect the amount of the lien in conjunction with the collection of ad valorem taxes on the property and or municipal tax collector or city revenue officer, who is responsible or whose duties include the collection of municipal taxes, to collect the amount of the lien as if it were a real property ad valorem tax, using all methods available for collecting real property ad valorem taxes, including specifically Chapter 4 of Title 48; provided, however, that the limitation of Code Section 48-4-78 which requires 12 months of delinquency before commencing a tax foreclosure shall not apply. A county tax commissioner shall collect and enforce municipal liens imposed pursuant to this chapter in accordance with Code Section 48-5-359.1. The county tax commissioner or municipal tax collector or city revenue officer shall remit the amount collected to the governing authority of the county or municipality whose ordinance lien is being collected enforced. Thirty days after imposition of the lien, the unpaid lien amount shall bear interest and penalties in the same amount as applicable to interest and penalties on unpaid real property ad valorem taxes.
- (2) Where the remittance is to a municipality, the tax commissioner shall collect and retain an amount equal to the cost of administering a lien authorized by this chapter unless such costs are waived by resolution of the county governing authority. Any such amount collected and retained for administration shall be deposited in the general fund of the county to pay the cost of administering the lien.
- (3) Enforcement of liens pursuant to this Code section may be initiated at any time following receipt by the county tax commissioner or municipal tax collector or city revenue officer of the final determination of costs in accordance with this chapter. The unpaid lien amount shall bear interest and penalties from and after the date of final

determination of costs in the same amount as applicable to interest and penalties on unpaid real property ad valorem taxes. An enforcement proceeding pursuant to Code Section 48-4-78 for delinquent ad valorem taxes may include all amounts due under this chapter.

(4) The redemption amount in any enforcement proceeding pursuant to this Code section shall be the full amount of the costs as finally determined in accordance with this Code section together with interest, penalties, and costs incurred by the governing authority, county tax commissioner, municipal tax collector, or city revenue officer in the enforcement of such lien. Redemption of property from the lien may be made in accordance with the provisions of Code Sections 48-4-80 and 48-4-81."

SECTION 3.

Said chapter is further amended by striking Code Section 41-2-12, relating to service of complaints or orders upon parties in interest and owners of unfit buildings or structures, in its entirety and inserting in lieu thereof the following:

"41-2-12.

- (a) Complaints issued by a public officer pursuant to an ordinance adopted under Code Sections 41-2-7 through 41-2-11, this Code section, and Code Sections 41-2-13 through 41-2-17 shall be served in the following manner. In all cases, a copy of the complaint and summons shall be conspicuously posted on the subject dwelling, building, or structure within three business days of filing of the complaint and at least ten days prior to the date of the hearing. A copy of the complaint and summons shall be served in one of the following ways:
- (1) Personal service upon each owner and party in interest if such parties are residents of the county. Service shall be perfected at least ten days prior to the date of the hearing. Service may be made by the public officer designated by ordinance to abate nuisances or by any law enforcement officer of the county or municipality whose ordinance is being enforced; and a return of service, filed with the clerk of the appropriate court, shall be deemed sufficient proof that service was perfected;
 - (2) Pursuant to the provisions of Article 5 of Chapter 4 of Title 48; or
 - (3) Statutory overnight delivery.
- (b) If any owner or party in interest is a resident of this state but resides outside of the county, service shall be perfected by certified mail or statutory overnight delivery, return receipt requested, to the most recent address shown in county tax filings and mailed at least 14 days prior to the date of the hearing. At least 14 days prior to the date of the hearing, the public officer shall mail copies of the complaint by certified mail or statutory overnight

1

delivery, return receipt requested, to all interested parties whose identity and address are 2 reasonably ascertainable. Copies of the complaint shall also be mailed by first-class mail 3 to the property address to the attention of the occupants of the property, if any, and shall be posted on the property within three business days of filing the complaint and at least 14 4 days prior to the date of the hearing. 5 6 (c)(b) For interested parties Nonresidents of this state, whose mailing address is known, shall be served by certified mail or statutory overnight delivery, return receipt requested, 7 8 mailed at least 14 days prior to the date of the hearing. For nonresidents whose mailing 9 address is unknown, a notice stating the date, time, and place of the hearing shall be 10 published in the newspaper in which the sheriff's advertisements appear in such county 11 once a week for two consecutive weeks prior to the hearing. 12 (d) In the event either the owner or any party in interest is a minor, an estate, an 13 incompetent person, or person laboring under disabilities, the guardian or other personal 14 representative of such person shall be served and if such guardian or personal 15 representative resides outside the county or is a nonresident of this state, he or she shall be 16 served as provided for in subsection (c) of this Code section. If such owner or party in 17 interest has no guardian or personal representative, service shall be perfected by serving 18 the judge of the probate court of the county wherein such property is located at least 30 19 days prior to the date of the hearing which judge shall stand in the place of and protect the 20 rights of such minor, estate, or incompetent person or appoint a guardian ad litem for such 21 person. 22 (e) In the event of unknown persons or unborn remaindermen who are likely to have any 23 rights in the property or interest or the proceeds thereof, the judge of the probate court of 24 the county wherein such property or interest is located shall be personally served at least 25 30 days prior to the date of the hearing, and it shall be the duty of the judge of the probate 26 court to stand in the place of and protect the rights of such unknown parties or unborn 27 remaindermen. 28 (f) In the event the whereabouts of any owner or party in interest is unknown and the same 29 cannot be ascertained by the public officer in the exercise of reasonable diligence or if any 30 owner or party in interest cannot, after due diligence, be served as provided in this Code 31 section, the public officer shall make an affidavit to that effect and serve by publication in 32 the manner provided in subsection (c) of this Code section, and such publication shall be 33 sufficient proof that service was perfected. (g)(c) A notice of lis pendens shall be filed in the office of the clerk of superior court in 34 35 the county in which the dwelling, building, or structure is located at the time of filing the

complaint in the appropriate court. Such notice shall have the same force and effect as other lis pendens notices provided by law.

(h)(d) Orders and other filings made subsequent to service of the initial complaint shall be served in the manner provided in this Code section on the owner and any party in interest interested party who answers the complaint or appears at the hearing. Any interested party who fails to answer or appear at the hearing shall be deemed to have waived all further notice in the proceedings."

8 SECTION 4.

Chapter 4 of Title 48 of the Official Code of Georgia Annotated, relating to tax sales, is amended in Code Section 48-4-76, relating to judicial in rem tax foreclosures, by adding a new subsection (d) to read as follows:

"(d) The enforcement proceedings authorized by this article may be initiated by a county, by a municipality, by one acting on behalf of the other pursuant to contract, or by joint action in a single proceeding."

SECTION 5.

Said chapter is further amended in Code Section 48-4-78, relating to identification of tax delinquent properties and commencement of tax foreclosure, by striking subsection (a) and inserting in lieu thereof the following:

"(a) After an ad valorem tax lien, based upon a digest approved in accordance with the law, has become payable and is past due and thereby delinquent, a tax commissioner or other tax collector, as appropriate, may identify those properties on which to commence a tax foreclosure in accordance with this article. The tax commissioner or other tax collector, as appropriate, shall not commence tax foreclosure in accordance with this article for a period of 12 months following the date upon which the taxes initially became delinquent. Once enforcement proceedings have commenced in accordance with the provisions of this article, the enforcement proceedings may be amended to include any and all ad valorem taxes which become delinquent subsequent to the date of the initial ad valorem tax lien that was the original basis for the enforcement proceedings."

SECTION 6.

This Act shall become effective on July 1, 2002.

31 SECTION 7.

1 All laws and parts of laws in conflict with this Act are repealed.