

**ASSEMBLY BILL**

**No. 2766**

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**Introduced by Assembly Member Poochigian**

February 22, 1996

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An act to amend Sections 26225 and 26290 of the Water Code, relating to water.

LEGISLATIVE COUNSEL'S DIGEST

AB 2766, as introduced, Poochigian. Irrigation districts.

The Irrigation District Law governs the sale of property that is included within an irrigation district for delinquent assessments. That law authorizes, among other things, the redemption of such property after a collector's deed has been delivered to the district upon payment of specified charges.

This bill would authorize the board of a district to establish a minimum sale price for the property that includes certain prescribed costs and would, for the purposes of a redemption of property after a collector's deed has been delivered to the district, require the payment of additional amounts, including the costs incurred in connection with recording the certificates of sale and redemption, the costs of publication of notice incurred in connection with the delinquency, and, unless otherwise waived by the district, other costs incurred in connection with the preparation for a proposed sale of property.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 26225 of the Water Code is  
2 amended to read:

3 26225. Property sold for delinquent assessments may  
4 be redeemed within five years from the date of sale, or  
5 thereafter before a collector’s deed of the property has  
6 been delivered.

7 Where a collector’s deed has been delivered to the  
8 district, the period of redemption is extended until the  
9 first bid is received for the property or until the board  
10 determines the property is not to be sold as provided in  
11 Section 26290.

12 Redemption before a collector’s deed of the property  
13 has been delivered may be made by payment in lawful  
14 money of the United States to the collector of the amount  
15 for which the property was sold plus a penalty equal to the  
16 annual adjusted rate established by the Franchise Tax  
17 Board, as provided in Section 19269 of the Revenue and  
18 Taxation Code, divided by 12 per month from the date of  
19 sale until redemption. Redemption after a collector’s  
20 deed has been delivered may only be made by payment  
21 of the total of the following amounts:

22 (a) The total of the amount of the sale shown on each  
23 certificate of sale outstanding.

24 (b) A penalty on each certificate of sale outstanding  
25 equal to the annual adjusted rate established by the  
26 Franchise Tax Board, as provided in Section 19269 of the  
27 Revenue and Taxation Code, divided by 12 per month  
28 from the date of sale until redemption.

29 (c) An amount for each year of escaped assessment  
30 determined as follows: the assessor shall establish the  
31 assessment value for the land for each year of escaped  
32 assessment and the collector shall apply the rate fixed in  
33 that year to determine the amount of the escaped  
34 assessment.

35 (d) *The costs incurred in connection with recording*  
36 *the certificate of sale and the certificate of redemption.*

37 (e) *The costs of publication of notice incurred in*  
38 *connection with the delinquency.*



1 (f) *The costs incurred in connection with the*  
2 *preparation for a proposed sale of property, except that*  
3 *a district board may waive some or all of these costs if it*  
4 *determines that the circumstances support the waiver.*

5 SEC. 2. Section 26290 of the Water Code is amended  
6 to read:

7 26290. (a) *If a collector's deed for property sold for*  
8 *delinquent assessments, or one installment of a*  
9 *delinquent assessment, has been delivered to the district,*  
10 *the district shall not sell or otherwise dispose of such*  
11 *property except as provided in this section. The*

12 *(b) The district may sell the property, in which case it*  
13 *shall sell the property at a public auction upon having first*  
14 *given notice to the assessee by certified mail with return*  
15 *receipt requested and notice of the sale as prescribed by*  
16 *Sections 3701, 3702, and 3704 of the Revenue and Taxation*  
17 *Code.*

18 *(c) If the property is to be sold and is not redeemed*  
19 *before the first bid is received on such property, the*  
20 *district shall sell the property at public auction to the*  
21 *highest bidder at the time and place fixed.*

22 *(d) The board may establish a minimum sale price for*  
23 *the property which includes all of the following amounts:*

24 (1) *The amount of the sale described on each*  
25 *certificate of sale outstanding.*

26 (2) *The amount of a penalty on each certificate of sale*  
27 *outstanding that equals the annual adjusted rate*  
28 *established by the Franchise Tax Board, as provided in*  
29 *Section 19262 of the Revenue and Taxation Code, divided*  
30 *by 12 per month from the date of sale until redemption.*

31 (3) *An amount that equals the amount for each year of*  
32 *escaped assessment. The assessor shall establish the*  
33 *assessment value for the land for each year of escaped*  
34 *assessment and the collector shall apply the rate fixed in*  
35 *that year to determine the amount of the escaped*  
36 *assessment.*

37 (4) *The costs incurred in connection with recording*  
38 *the certificate of sale and the certificate of redemption.*

39 (5) *The costs of publication of notice incurred in*  
40 *connection with the delinquency.*

1 (6) *The costs incurred in connection with the*  
2 *preparation for a proposed sale of the property, except*  
3 *that a district board may waive some or all of these costs*  
4 *if it determines that the circumstances support the*  
5 *waiver.*

6 (e) At any time after the delivery of the collector's  
7 deed, and before the property is sold, the board may  
8 determine by resolution that the property is not to be  
9 sold, thereby terminating the right to redemption, but at  
10 least 30 days before the adoption of such a resolution the  
11 district shall give notice to the assessee, with return  
12 receipt requested, of the time, date, and place of the  
13 meeting at which the resolution will be considered and  
14 state that the property may be redeemed at any time  
15 before the adoption of the resolution.

