

Amendment No. 1 to SB0054

McNally
Signature of Sponsor

AMEND Senate Bill No. 54

House Bill No. 19*

By deleting all language after the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Title 67, Chapter 5, Part 25, is amended by adding the following as a new section:

67-5-2516.

(a) As used in this section:

(1) "Undeveloped" means that no utility services, such as electricity, gas, water or sanitary sewer, have been constructed or installed on the particular property or to serve the property; and

(2) "Unimproved" means that no buildings or other structures have been placed, constructed, installed, or erected on the property.

(b) Whenever a tax entity acquires any unimproved or undeveloped property at a tax sale, at any time during its ownership of the property, the tax entity may transfer such property to the non-government entity claiming contractual rights to the payment of fees or assessments duly recorded in covenants and restrictions, which shall be in full satisfaction of such fees and assessments; provided, that the tax entity and non-governmental entity shall jointly approve the transfer and may negotiate a suspension or resolution of any such fees and assessments from the date the tax entity takes title at the tax sale until the transfer to the non-government entity is complete. From the date of approval of such transfer, and during the period of any negotiations, and until the date the non-government entity takes title to the property, no judgment shall be entered against the tax entity regarding the payment of such assessments or fees, nor shall any

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lien for such assessments or fees claimed by the non-government entity be enforced.

Any transfer of the property shall not affect any rights of redemption pursuant to part 27 of this chapter.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it, and shall apply to properties acquired by tax entities at tax sales on and after such date.