

FIRST REGULAR SESSION

SENATE BILL NO. 442

97TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR SILVEY.

Read 1st time February 28, 2013, and ordered printed.

TERRY L. SPIELER, Secretary.

1914S.011

AN ACT

To amend chapter 139, RSMo, by adding thereto one new section relating to the assignment of property tax liens.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Chapter 139, RSMo, is amended by adding thereto one new
2 section, to be known as section 139.054, to read as follows:

**139.054. 1. A property owner may authorize the collector to
2 assign a lien for taxes, special assessments, penalties, interest, and
3 costs on the owner's real property to a third party, who shall be a lien
4 assignee under this section, in exchange for the assignee's payment of
5 all amounts due and owing by the property owner to the collector
6 relating to the lien.**

**7 2. The collector shall issue an assignment of the lien on the
8 owner's real property to the third party upon receipt of the following:**

- 9 (1) The property owner's written authorization;**
10 (2) Payment in the amount of taxes and special assessments due;
11 and
**12 (3) Proof of the assignee's registration as described in subsection
13 8 of this section.**

**14 3. The owner and assignee may enter into a payment agreement
15 for all amounts secured by the tax lien, including the amounts paid for
16 the assignment, reasonable transaction costs, interest of no more than
17 sixteen percent per annum on those amounts or no more than twelve
18 percent per annum for a property owner who is sixty-five years of age
19 or older as of the date of assignment, and reasonable and necessary
20 collection costs and fees.**

21 4. A lien assigned by the collector under this section shall retain

22 its priority as a first lien for general taxes under section 141.250. The
23 payment agreement, together with the assignment issued to the
24 assignee, shall serve as prima facie evidence of the priority of and
25 amount due in connection with the assigned lien.

26 5. If an owner defaults on an obligation under the payment
27 agreement, the assignee may commence an action in the circuit court
28 to foreclose the assigned lien as provided in chapter 443 no more than
29 three years from the date of the default.

30 6. At least sixty days before commencing an action to foreclose
31 the assigned lien, the assignee shall provide notice to the holder of a
32 recorded mortgage lien. The assignee shall not recover a fee in
33 connection with a foreclosure action if the fee is incurred within thirty
34 days of the date of the notice required by this subsection. Upon receipt
35 of the notice, the holder or servicer of the recorded first lien may
36 obtain a release of the lien by paying the assignee the amount due
37 under the payment agreement described in subsection 3 of this section.

38 7. (1) A property owner may authorize an initial assignment of
39 liens more than once under this section, but no property owner shall
40 assign more than one lien at a time under this section. Once the
41 amount due on a lien assigned under this section has been paid in full,
42 the property owner may authorize another assignment under this
43 section.

44 (2) Any authorization under this section may contain a provision
45 allowing the collector to assign subsequent liens for taxes or special
46 assessments that become delinquent within three years from the date
47 of the original agreement. If the authorization contains such a
48 provision, the assignee shall tender payment to the collector within
49 sixty days of the date of the delinquency and the collector shall assign
50 each additional lien upon receipt of payment from the assignee.

51 8. An assignee under this section shall register annually with the
52 department of insurance, financial institutions and professional
53 registration.

54 9. The department shall promulgate rules prescribing the form
55 and content of the owner's authorization and the collector's assignment,
56 setting maximum transaction costs in connection with the assignment
57 of liens, and implementing the provisions of this section. Any rule or
58 portion of a rule, as that term is defined in section 536.010, that is

59 created under the authority delegated in this section shall become
60 effective only if it complies with and is subject to all of the provisions
61 of chapter 536 and, if applicable, section 536.028. This section and
62 chapter 536 are nonseverable and if any of the powers vested with the
63 general assembly under chapter 536 to review, to delay the effective
64 date, or to disapprove and annul a rule are subsequently held
65 unconstitutional, then the grant of rulemaking authority and any rule
66 proposed or adopted after August 28, 2013, shall be invalid and void.

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Unofficial

Bill

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