



Legislation Text

File #: 25-196, Version: 1

Memorandum

Date: March 11, 2025
To: The Honorable Lake County Board of Supervisors
From: Patrick Sullivan, Treasurer- Tax Collector
Subject: Consideration of a Position Letter of Support AB 418 (Wilson)

Executive Summary:

AB 418 (Wilson) is responsive to the May 25, 2023 United States Supreme Court decision, which unanimously ruled in *Tyler v Hennepin County, Minnesota, et al.* that Geraldine Tyler’s Constitutional rights were violated when Hennepin County, in Minnesota, auctioned her tax-defaulted property to satisfy the delinquent property tax debt worth \$15,000. The property sold for \$40,000. The County kept the remaining \$25,000 in excess proceeds without first affording Ms. Tyler the right to file a claim for the excess proceeds. The Court found that the taking of the value of Ms. Tyler’s equity violated the Takings Clause of the Fifth and Fourteenth Amendments and the Excessive Fines Clause of the Eighth Amendment.

AB 418 preserves the ability of counties to utilize so-called Chapter 8 sales that are used to dispose of challenging properties or facilitate the development of affordable housing or other local agency uses, while ensuring that the owners of that tax-defaulted property are able to participate in an administrative process if they disagree with the tax sale value established by the tax collector, and proposed for approval by the Board of Supervisors.

If not budgeted, fill in the blanks below only:

Estimated Cost: _____ Amount Budgeted: _____ Additional Requested: _____ Future Annual Cost: _____

Purchasing Considerations (check all that apply):

Not applicable

- Fully Article X. <https://library.municode.com/ca/lake_county/codes/code_of_ordinances?nodeId=COOR_CH2AD_ARTXPU_S2-38EXCOBI>- and/or Consultant Selection Policy <[http://lcnnet.co.lake.ca.us/Assets/Intranet/Policy/Policies+\\$!26+Procedures+Manual/Ch4_2021v2.pdf](http://lcnnet.co.lake.ca.us/Assets/Intranet/Policy/Policies+$!26+Procedures+Manual/Ch4_2021v2.pdf)>-Compliant (describe process undertaken in “Executive Summary”)
- Section 2-38 <https://library.municode.com/ca/lake_county/codes/code_of_ordinances?nodeId=COOR_CH2AD_ARTXPU_S2-38EXCOBI> Exemption from Competitive Bidding (rationale in “Executive Summary,” attach documentation, as needed)
- For Technology Purchases: Vetted and Supported by the Technology Governance Committee <<http://lcnnet.co.lake.ca.us/Assets/Intranet/Intranet+Forms/Information+Technology/AdvPlan.pdf>> (“Yes,” if checked)
- Other (Please describe in Executive Summary)

Consistency with Vision 2028 <<http://www.lakecountyca.gov/Government/Directory/Administration/Visioning/Vision2028.htm>>

(check all that apply):

- | | | |
|--------------------------------------------------|------------------------------------------------------|----------------------------------------------------------------------|
| <input type="checkbox"/> Well-being of Residents | <input type="checkbox"/> Not applicable | <input type="checkbox"/> Disaster Prevention, Preparedness, Recovery |
| <input type="checkbox"/> Economic Development | <input type="checkbox"/> Public Safety | <input type="checkbox"/> County Workforce |
| <input type="checkbox"/> Community Collaboration | <input type="checkbox"/> Infrastructure | <input type="checkbox"/> Clear Lake |
| | <input type="checkbox"/> Business Process Efficiency | |

Recommended Action: Approve letter and authorize the chair to sign.