

HB502 ENROLLED



1 HB502
2 DG53LNT-3
3 By Representative Bracy (N & P)
4 RFD: Mobile County Legislation
5 First Read: 24-Feb-26



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1 Enrolled, An Act,

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3 Relating to the City of Prichard in Mobile County; to
4 authorize the City of Prichard to file an expedited quiet
5 title and foreclosure action in circuit court to establish
6 clear title to abandoned tax sale properties within the city
7 limits that are acquired from the state land commissioner
8 under Chapter 10 of Title 40, Code of Alabama 1975; and to
9 provide for the procedure and due process for the action in
10 circuit court.

11 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

12 Section 1. This act shall apply only to the City of
13 Prichard in Mobile County.

14 Section 2. For the purpose of this act, "interested
15 parties" means the owner, heirs of the owner, any mortgagee or
16 purchaser of the subject property or any part of the property,
17 and any party with a legal or equitable interest in the
18 property, or any part of the property, in severalty or as
19 tenant in common, including a judgment creditor or other
20 creditor having a lien on the property or any part of the
21 property. The term does not include holders of recorded or
22 unrecorded easements or rights-of-way for utility services
23 affecting the subject property.

24 Section 3. (a) The City of Prichard may initiate an
25 expedited quiet title and foreclosure action under this
26 section against a parcel of tax sale property within its
27 municipal limits which the municipality purchased from the
28 state land commissioner. The municipality shall record a



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29 notice of its intention to file an expedited quiet title and
30 foreclosure action in the office of the judge of probate in
31 the county where the property is located. The notice shall
32 include a legal description of the property, the property's
33 street address if available, a statement that the property is
34 subject to expedited quiet title and foreclosure proceedings
35 under this act, and a statement that the proceedings may
36 extinguish any legal interests in the property.

37 (b) The municipality shall make a good-faith effort to
38 identify the interested parties and their addresses. The
39 municipality shall be presumed to have made a good-faith
40 effort to identify interested parties if it does all of the
41 following:

42 (1) Erects a sign measuring at least four feet by six
43 feet on the property and maintains it for a minimum of 30
44 days. The sign must read as follows: "THIS PROPERTY WAS SOLD
45 TO THE CITY OF PRICHARD FOR UNPAID TAXES. IF ANYONE HAS
46 INFORMATION ABOUT THE OWNER OF THIS PROPERTY, PLEASE CALL
47 _____."

48 (2) Examines the addresses appearing on the face of the
49 recorded deeds, mortgages, and relevant instruments.

50 (3) Examines the records of the tax assessor or revenue
51 commissioner to identify the names and addresses of all
52 parties who paid taxes during the five-year period preceding
53 the date of the tax sale, provided that the municipality is
54 not required to search for parties who paid taxes more than 20
55 years before the year of the inquiry.

56 (4) If the interested party is an individual, the



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57 municipality shall examine voter registration lists, municipal
58 archives for records of deaths, and probate court records of
59 estates opened in the county where the property is located.

60 (5) If the interested party is a business entity, the
61 municipality shall search the records of the Secretary of
62 State to find the name and address of a registered agent.

63 Section 4. The municipality may file a single petition
64 with the clerk of the circuit court for the judicial circuit
65 in which the subject property is located, seeking an order to
66 quiet title and expedite foreclosure of one or more parcels of
67 property under this act. The petition shall identify each
68 parcel by its tax parcel number and street address and shall
69 be served on all interested parties identified in accordance
70 with Section 3.

71 Section 5. Upon filing of the circuit court petition
72 under Section 4, the circuit court shall set the date, time,
73 and place for a hearing on the petition. A hearing on the
74 petition shall be no later than 90 days from the scheduling
75 order. On the request of a party, the court may extend the
76 90-day period for good cause shown.

77 Section 6. (a) No less than 30 days before the
78 scheduled date of the hearing on the quiet title and
79 foreclosure petition, the municipality shall do both of the
80 following:

81 (1) Send a notice of the hearing to the interested
82 parties identified under Section 3 for each parcel named in
83 the petition by both certified mail, return receipt requested,
84 and regular mail.



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85 (2) Post conspicuously on each property named in the
86 petition notice of the hearing including the following
87 statement: "THIS PROPERTY HAS BEEN TRANSFERRED TO THE CITY OF
88 PRICHARD AND IS SUBJECT TO AN EXPEDITED QUIET TITLE AND
89 FORECLOSURE ACTION. PERSONS WITH INFORMATION REGARDING THE
90 PRIOR OWNER OF THE PROPERTY ARE REQUESTED TO CONTACT THE CITY
91 OF PRICHARD."

92 (b) Notices provided to the interested parties under
93 this section shall include all of the following:

94 (1) The date the municipality recorded its notice of
95 the pending expedited quiet title and foreclosure action under
96 Section 3 in probate court.

97 (2) A legal description, tax parcel identification
98 number, and the street address of the property, if available.

99 (3) The interested party or parties to whom the notice
100 is addressed.

101 (4) The date, time, and place of the hearing on the
102 petition for expedited quiet title and foreclosure, and a
103 statement that the court's judgment may result in the
104 property's title vesting in the municipality.

105 (5) Notice that the court's judgment in the quiet title
106 and foreclosure hearing may extinguish any ownership interest
107 in, liens against, right to redeem, or any claim whatsoever
108 secured by the property.

109 (6) The name, address, and telephone number of the
110 municipality.

111 (7) A statement requesting that persons with
112 information regarding the owner or prior owner of any of the



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113 properties contact the municipality.

114 (8) That any party seeking to redeem the property will
115 be required to pay all taxes, interest, penalties, fees, and
116 any other charges due and owing under Chapter 10 of Title 40,
117 Code of Alabama 1975.

118 Section 7. If the municipality is unable to identify
119 the names and addresses of interested parties or to provide
120 notice under Section 6, it shall apply to the circuit court
121 for an order authorizing notice by publication. If so ordered,
122 the municipality shall publish a notice once each week for
123 three consecutive weeks in a newspaper of general circulation
124 in the county where the property is located. If no newspaper
125 is published in that county, publication shall be made in a
126 newspaper of general circulation in an adjoining county. This
127 publication shall substitute for notice under Section 6. The
128 published notice shall include the information listed in 6(b).
129 If the municipality discovers the name and address of an
130 interested party after publication, it shall notify that party
131 of the expedited quiet title and foreclosure action in
132 accordance with Section 6 as soon as practicable. In that
133 case, notice shall be brought to the attention of the court,
134 which shall postpone the hearing for a period of time
135 sufficient to give such notice to the newly discovered party.

136 Section 8. Before the circuit court hearing on the
137 expedited quiet title and foreclosure action, the municipality
138 shall file with the clerk of the circuit court proof of notice
139 to the interested parties by certified and regular mail, proof
140 of posting on the property under Section 6, and, if



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141 applicable, proof of notice by publication under Section 7. An
142 interested party who seeks to contest the petition shall file
143 written objections with the clerk of the circuit court and
144 serve those objections on the municipality no later than 14
145 days before the hearing date. If the court denies the
146 petition, the denial shall not preclude the municipality from
147 filing another petition for expedited quiet title and
148 foreclosure on that parcel. No injunction shall issue to stay
149 an expedited quiet title and foreclosure action under this
150 section.

151 Section 9. (a) If an interested party appears at the
152 hearing and asserts a right to redeem the property, the party
153 may redeem the property in accordance with Chapter 10 of Title
154 40, Code of Alabama 1975.

155 (b) If an interested party appears and fails to redeem,
156 or if no person appears, the circuit court shall enter
157 judgment on the petition no later than 10 days after the date
158 the matter was heard.

159 (c) The judgment of the circuit court shall specify all
160 of the following:

161 (1) The legal description, tax parcel identification
162 number, and, if known, the street address of the property
163 foreclosed.

164 (2) That fee simple title to the property foreclosed by
165 the judgment is vested absolutely in the municipality, except
166 as otherwise provided in subdivision (5), without any further
167 rights of redemption.

168 (3) That all liens against the property, including any



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169 lien for unpaid taxes or special assessments, are
170 extinguished.

171 (4) That the municipality has good and marketable fee
172 simple title to the property.

173 (5) That all existing recorded and unrecorded interests
174 in the property are extinguished, except for recorded or
175 unrecorded easements or rights-of-way for utility services,
176 other recorded easements or rights-of-way, private deed
177 restrictions, plat restrictions, or restrictions or covenants
178 imposed under the Alabama Land Recycling and Economic
179 Redevelopment Act or any other environmental law in effect in
180 the state.

181 (6) That the municipality provided notice to all
182 interested parties or that the municipality complied with the
183 notice procedures in Section 6. Compliance with the notice
184 procedures in Section 6 shall create a rebuttable presumption
185 that all interested parties received notice and an opportunity
186 to be heard.

187 Section 10. No later than 42 days after the judgment's
188 effective date, a municipality or interested party may appeal
189 the circuit court's judgment to the Court of Civil Appeals.
190 Any party appealing from an order vesting title in the
191 municipality shall, as a condition of the appeal, identify the
192 parcel that is the subject of the appeal and, with respect to
193 that parcel, post a bond with at least one solvent surety in
194 the amount due to redeem the property under Chapter 10 of
195 Title 40, Code of Alabama 1975. The appeal shall stay the
196 circuit court's order only with respect to each parcel



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197 identified as the subject of the appeal. The circuit court's
198 order shall be affirmed unless there is a defect in the
199 identification of the property or in the notice that deprived
200 a party of the right to due process of law. The order shall
201 not be reversed on the basis of mere technical noncompliance
202 with this section.

203 Section 11. The municipality shall record the court's
204 order in the probate court after the 42-day period following
205 the entry of the order, if no appeal is filed, or after a
206 final judgment on appeal of the circuit court's decision on
207 the municipality's petition for an expedited quiet title and
208 foreclosure action.

209 Section 12. This act shall become effective on June 1,
210 2026.



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Speaker of the House of Representatives

President and Presiding Officer of the Senate

House of Representatives

I hereby certify that the within Act originated in and was passed by the House 31-Mar-26, as amended.

John Treadwell
Clerk

Senate

02-Apr-26

Passed