

HB502 INTRODUCED



1 HB502
2 EJKB529-1
3 By Representative Bracy (N & P)
4 RFD: Mobile County Legislation
5 First Read: 24-Feb-26



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

A BILL
TO BE ENTITLED
AN ACT

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

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

Section 2. For the purpose of this act, "interested parties" means the owner, heirs of the owner, any mortgagee or purchaser of the subject property or any part of the property, and any party with a legal or equitable interest in the property, or any part of the property, in severalty or as tenant in common, including a judgment creditor or other creditor having a lien on the property or any part of the property.

Section 3. (a) The City of Prichard may initiate an



HB502 INTRODUCED

29 expedited quiet title and foreclosure action under this
30 section against a parcel of tax sale property within its
31 municipal limits which the municipality purchased from the
32 state land commissioner. The municipality shall record a
33 notice of its intention to file an expedited quiet title and
34 foreclosure action in the office of the judge of probate in
35 the county where the property is located. The notice shall
36 include a legal description of the property, the property's
37 street address if available, a statement that the property is
38 subject to expedited quiet title and foreclosure proceedings
39 under this act, and a statement that the proceedings may
40 extinguish any legal interests in the property.

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

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

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

54 (3) Examines the records of the tax assessor or revenue
55 commissioner to identify the names and addresses of all
56 parties who paid taxes during the five-year period preceding



HB502 INTRODUCED

57 the date of the tax sale, provided that the municipality is
58 not required to search for parties who paid taxes more than 20
59 years before the year of the inquiry.

60 (4) If the interested party is an individual, the
61 municipality shall examine voter registration lists, municipal
62 archives for records of deaths, and probate court records of
63 estates opened in the county where the property is located.

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

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

75 Section 5. Upon filing of the circuit court petition
76 under Section 4, the circuit court shall set the date, time,
77 and place for a hearing on the petition. A hearing on the
78 petition shall be no later than 90 days from the scheduling
79 order. On the request of a party, the court may extend the
80 90-day period for good cause shown.

81 Section 6. (a) No less than 30 days before the
82 scheduled date of the hearing on the quiet title and
83 foreclosure petition, the municipality shall do both of the
84 following:



HB502 INTRODUCED

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

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

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

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

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

103 (3) The interested party or parties to whom the notice
104 is addressed.

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

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



HB502 INTRODUCED

113 (6) The name, address, and telephone number of the
114 municipality.

115 (7) A statement requesting that persons with
116 information regarding the owner or prior owner of any of the
117 properties contact the municipality.

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

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

140 Section 8. Before the circuit court hearing on the



HB502 INTRODUCED

141 expedited quiet title and foreclosure action, the municipality
142 shall file with the clerk of the circuit court proof of notice
143 to the interested parties by certified and regular mail, proof
144 of posting on the property under Section 6, and, if
145 applicable, proof of notice by publication under Section 7. An
146 interested party who seeks to contest the petition shall file
147 written objections with the clerk of the circuit court and
148 serve those objections on the municipality no later than 14
149 days before the hearing date. If the court denies the
150 petition, the denial shall not preclude the municipality from
151 filing another petition for expedited quiet title and
152 foreclosure on that parcel. No injunction shall issue to stay
153 an expedited quiet title and foreclosure action under this
154 section.

155 Section 9. (a) If an interested party appears at the
156 hearing and asserts a right to redeem the property, the party
157 may redeem the property in accordance with Chapter 10 of Title
158 40, Code of Alabama 1975.

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

163 (c) The judgment of the circuit court shall specify all
164 of the following:

165 (1) The legal description, tax parcel identification
166 number, and, if known, the street address of the property
167 foreclosed.

168 (2) That fee simple title to the property foreclosed by



HB502 INTRODUCED

169 the judgment is vested absolutely in the municipality, except
170 as otherwise provided in subdivision (5), without any further
171 rights of redemption.

172 (3) That all liens against the property, including any
173 lien for unpaid taxes or special assessments, are
174 extinguished.

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

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

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

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



HB502 INTRODUCED

197 Title 40, Code of Alabama 1975. The appeal shall stay the
198 circuit court's order only with respect to each parcel
199 identified as the subject of the appeal. The circuit court's
200 order shall be affirmed unless there is a defect in the
201 identification of the property or in the notice that deprived
202 a party of the right to due process of law. The order shall
203 not be reversed on the basis of mere technical noncompliance
204 with this section.

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

211 Section 12. This act shall become effective on June 1,
212 2026.