

MAINE STATE LEGISLATURE

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SECOND REGULAR SESSION

ONE HUNDRED AND NINTH LEGISLATURE

Legislative Document

No. 1707

H. P. 1596

Office of the Clerk of the House

The Committee on Public Utilities suggested. Approved for introduction by the Legislative Council pursuant to Joint Rule 26.

Presented by Mr. Leighton of Harrison.

EDWIN H. PERT, Clerk of the House

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY

AN ACT to Amend the Charter of the Harrison Water District.

Be it enacted by the People of the State of Maine, as follows:

P&SL 1969, c. 91, § 14-A is enacted to read:

14-A. Collection of unpaid rates. A lien is created on real estate served or benefited by the water system of the district, to secure payment of the rates and charges established and due under section 14, which shall take precedence over all other claims on that real estate, except claims for taxes.

The treasurer of the district is authorized to collect the rates established and due under section 14 and they shall be committed to him. After demand for payment, the treasurer may sue, in the name of the district, for any rate or other charge remaining unpaid by filing a civil action in any court of competent jurisdiction.

In addition to other methods established by law for the collection of rates and other charges, and without waiver of the right to sue, a lien may be enforced in the following manner. When a rate or other charge is committed to him for collection, after the expiration of 3 months and within one year after the date it is due and payable, the treasurer may give or cause to be given a notice in writing, signed by him. The notice shall state the amount of the rate or other charge, describe the real estate upon which the lien is claimed and state that a lien is claimed on that real estate to secure payment of the rate or other charge. In the case of a person

residing in the district, the notice shall be served personally or left at the person's last and usual place of abode and shall demand payment within 30 days after service. In the case of a nonresident of the district, the notice shall be given by registered or certified mail, addressed to his last known address or by publication in a newspaper of general circulation within the district, once a week for 2 successive weeks, and shall demand payment within 30 days after mailing or the first publication. After the expiration of the 30-day period and within one year thereafter, the treasurer shall record, in the registry of deeds of the county in which the property is located, a certificate signed by him, giving the information contained in the notice. The certificate shall also state that the notice and demand has been given in accordance with this section and that the rate or other charge remains unpaid. At the time of recording, the treasurer shall file a true copy of the certificate in the office of the district, and shall mail a true copy by registered or certified mail to each record holder of any mortgage on that real estate, addressed to that record holder at his last and usual place of abode. Any fee incurred for notice and filing becomes an additional charge collectable under this section.

The filing of the certificate creates a mortgage on the real estate, which has priority over all other mortgages, liens, attachments and encumbrances of any nature, except those for taxes, and gives the district all rights usually possessed by mortgagees, except that the district has no right to possession of the real estate until the expiration of 18 months after the date of filing of the certificate. During that 18-month period, the amount owed may be paid, together with interest and costs, and upon payment the treasurer shall discharge the mortgage in the same manner as provided for discharge of real estate mortgages. After the expiration of the 18 months, if payment has not been made, the mortgage is deemed to have been foreclosed and any right of redemption to have expired. The filing of the certificate is sufficient notice of the existence of the mortgage.

STATEMENT OF FACT

The purpose of this bill is to provide the Harrison Water District with an effective method of collecting unpaid water rates. A similar method of collection is authorized for sanitary districts under the Maine Revised Statutes, Title 38, section 1208.