

# MAINE STATE LEGISLATURE

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L.D. 1711

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(Filing No. H- 525)

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STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
112TH LEGISLATURE  
SECOND REGULAR SESSION

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COMMITTEE AMENDMENT "A" to H.P. 1204, L.D.  
1711, Bill, "AN ACT Relating to Public Utility Ser-  
vice Charge Liens."

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Amend the bill in section 2 in subsection 3, by  
striking out all of the 2nd and 3rd paragraphs (page  
2, lines 9 to 29 in L.D.) and inserting in their  
place the following:

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'This lien shall be dissolved unless, within 90 days  
after the date on which the unpaid bill was served,  
the utility files in the registry of deeds for the  
county in which the property is located a lien cer-  
tificate, setting forth the amount of the lien, a de-  
scription of the rental property subject to the lien,  
the name of the landlord, a statement that a lien is  
claimed on the rental property to secure the payment  
of utility services, that a demand has been made for  
that payment and that payment has not been made. At  
the time of recording of the lien certificate in the  
registry of deeds, the utility shall send a copy of  
the certificate to the landlord by certified mail,  
return receipt requested.'

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'This lien shall be dissolved unless, within 120 days  
after the unpaid bill was served, civil action to en-  
force the lien is brought in the District Court for  
the division where the rental property is located.'

COMMITTEE AMENDMENT "A" to H.P. 1204, L.D. 1711

1 STATEMENT OF FACT

2 This amendment to the original bill increases the  
3 time period during which the water utility must file  
4 the lien to 90 days and the time period to enforce  
5 the lien to 120 days in recognition of the fact that  
6 water utilities generally bill quarterly and Public  
7 Utilities Commission rules allow a customer 30 days  
8 from the date the bill was mailed before credit ac-  
9 tion may be initiated. The amendment also makes it  
10 clear that the lien shall be dissolved if appropriate  
11 action is not taken within those time limits.

12 The original bill might be interpreted to require  
13 that the utility must go through the process of per-  
14 fecting and enforcing its lien each time it "billed  
15 the landlord for services rendered to the rental  
16 property." Because water bills are generally for a  
17 modest amount, it would be uneconomic to require the  
18 utility to take these steps with each bill. In addi-  
19 tion, many water utilities bill the minimum charge in  
20 advance and the usage in arrears. Thus, not all of  
21 the bill is for past "services rendered." The amend-  
22 ment provides that the lien action must be taken  
23 within the specified time period after the utility  
24 serves any unpaid bill for which a lien is sought.  
25 Thus, a utility could issue a bill for both current  
26 service and for arrears on unpaid past bills and be  
27 able to perfect and enforce a lien for the entire  
28 amount. This would allow the utility to wait until  
29 the total bill is substantial enough to justify lien  
30 action, rather than having to take lien action on ev-  
31 ery bill as issued, no matter how small.

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