



115th MAINE LEGISLATURE

FIRST REGULAR SESSION-1991

Legislative Document

No. 658

H.P. 464

House of Representatives, February 19, 1991

Reference to the Committee on Utilities suggested and ordered printed.

EDWIN H. PERT, Clerk

Presented by Representative ADAMS of Portland.

Cosponsored by Senator CLEVELAND of Androscoggin, Senator CONLEY of Cumberland and Representative MORRISON of Bangor.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND NINETY-ONE

An Act to Clarify the Lien Rights of Water Utilities.

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

35-A MRSA §6111 is enacted to read:

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<u>§6111. Liens on multi-unit residential rental property</u>

Notwithstanding section 706, when a landlord has applied for8and is granted water utility service to a multi-unit residential
rental property, the water utility has a lien on the property and10on any interest the landlord has in the multi-unit residential
rental property to secure payment for the water utility's service12to that property with costs and with interest at a rate not to
exceed the highest lawful rate set by the Treasurer of State for14municipal taxes.

16 The method for obtaining, enforcing and receiving payment on the lien must be performed in the same manner, have the same 18 effect and create the same rights as is provided in Title 38, section 1208, pertaining to the collection of unpaid rates by a 20 sanitary district.

STATEMENT OF FACT

The purpose of this bill is to give water utilities the same 26 type of lien rights that sanitary districts have for overdue accounts against multi-unit residential rental property. Under 28 current law, the lien that water utilities are entitled to pursue 28 requires a water utility to file a lien and then preserve and 30 enforce it through legal proceedings. By comparison, the lien 31 under the Maine Revised Statutes, Title 38, section 1208 gives 32 sanitary districts the flexibility to preserve their lien rights 33 without the cost of bringing a lawsuit.

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