



126th MAINE LEGISLATURE

FIRST REGULAR SESSION-2013

Legislative Document

No. 1026

S.P. 351

In Senate, March 14, 2013

An Act To Amend the Charter of the Ashland Water and Sewer District

Reference to the Committee on Energy, Utilities and Technology suggested and ordered printed.

MAT

DAREK M. GRANT Secretary of the Senate

Presented by Senator JACKSON of Aroostook. Cosponsored by Representative NADEAU of Fort Kent and Senators: CLEVELAND of Androscoggin, GOODALL of Sagadahoc, HILL of York, SHERMAN of Aroostook, Representatives: HARVELL of Farmington, HOBBINS of Saco, THERIAULT of Madawaska.

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

Sec. 1. P&SL 1947, c. 78, §12-A is enacted to read:

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3 Sec. 12-A. Lien to secure payment of rates; procedure. When a rate, toll, 4 rent or other charge has been committed to the treasurer of the Ashland Water and Sewer 5 District for collection, the treasurer may, after the expiration of 3 months and within one 6 year after the date when the charge became due and payable, give to the owner of the real 7 estate served or leave at the owner's last and usual place of abode or send by certified 8 mail, return receipt requested, to the owner's last known address a written notice signed 9 by the treasurer or bearing the treasurer's facsimile signature stating the amount of that 10 rate, toll, rent or other charge, describing the real estate upon which the lien is claimed, 11 stating that a lien is claimed to secure payment of the charge and demanding payment 12 within 30 days after service or mailing of the notice plus \$1 for the treasurer for mailing 13 the notice together with the certified mail, return receipt requested, fee. The notice must 14 contain a statement that the district is willing to arrange installment payments of the 15 outstanding debt. After the expiration of the 30-day period and within one year, the 16 treasurer shall record in the Aroostook County Registry of Deeds a certificate signed by 17 the treasurer setting forth the amount of the rate, toll, rent or other charge and the real 18 estate on which the lien is claimed and stating that a lien is claimed to secure payment of 19 the charge and that notice and demand for payment of the charge has been given or made 20 in accordance with the provisions of this section and that the charge remains unpaid. At 21 the time of the recording of a certificate in the registry of deeds, the treasurer shall file in 22 the office of the district a true copy of the certificate and mail a true copy of the 23 certificate by certified mail, return receipt requested, to each record holder of any 24 mortgage on the real estate, addressed to the record holder at the record holder's last and 25 usual place of abode.

26 The filing of the certificate in the registry of deeds is deemed to create a mortgage on 27 the real estate described in the deed for the district that has priority over all other 28 mortgages, liens, attachments and encumbrances of any nature except liens, attachments 29 and claims for taxes and gives to the district all the rights usually possessed by 30 mortgagees, except that the district as mortgagee does not have a right to possession of 31 the real estate until the right of redemption provided for has expired. If the mortgage, 32 together with interest and costs, is not paid within 18 months after date of filing of the 33 certificate in the registry of deeds and after notice as provided in section 12-B, the 34 mortgage is deemed foreclosed and the right of redemption expired. The filing of the 35 certificate in the registry of deeds is sufficient notice of the existence of the mortgage. If 36 the rate, toll, rent or other charge, with interest and costs, is paid within the period of 37 redemption, the treasurer of the district shall discharge the mortgage in the same manner 38 as provided for discharge of real estate mortgages.

39The cost to be paid by the owner of the real estate served is the sum of the fees for40receiving, recording and indexing the lien, or its discharge, as established by the Maine41Revised Statutes, Title 33, section 751, plus \$13 and all certified mail, return receipt42requested, fees.

1 <u>The district shall pay the treasurer \$1 for filing the lien certificate and the amount</u> 2 paid for certified mail, return receipt requested, fees. The fees for recording the lien 3 certificate must be paid by the district to the register of deeds.

A discharge of the certificate given after the right of redemption has expired and has been recorded in the registry of deeds for more than one year terminates all title of the district derived from that certificate or any other recorded certificate for which the right of redemption expired 10 years or more before the foreclosure date of this discharge lien, unless the district has conveyed any interest based upon the title acquired from any of the affected liens.

10 Sec. 2. P&SL 1947, c. 78, §12-B is enacted to read:

11 Sec. 12-B. Notification prior to foreclosure. The treasurer of the district shall 12 notify the party named on the certificate filed pursuant to section 12-A and each record 13 holder of a mortgage on the real estate not more than 45 days nor fewer than 30 days 14 before the foreclosing date of the mortgage in a writing signed by the treasurer or bearing 15 the treasurer's facsimile signature and left at the holder's last and usual place of abode or 16 sent by certified mail, return receipt requested, to the holder's last known address of the 17 impending automatic foreclosure and indicating the exact date of foreclosure. For 18 sending this notice, the district is entitled to receive \$3 plus all certified mail, return 19 receipt requested, fees. These costs must be added to and become a part of the amount 20 due. If notice is not given in the time period specified in this section to the party named 21 on the certificate or to any record holder of a mortgage, the person not receiving timely 22 notice may redeem the mortgage until 30 days after the treasurer does provide notice in 23 the manner specified in this section. Beginning with liens created after October 30, 2001, 24 the notice of impending automatic foreclosure must be substantially in the following 25 form:

ASHLAND WATER AND SEWER DISTRICT NOTICE OF IMPENDING AUTOMATIC FORECLOSURE

28 IMPORTANT: DO NOT DISREGARD THIS NOTICE. YOU WILL LOSE YOUR 29 PROPERTY UNLESS YOU PAY THE CHARGES, COSTS AND INTEREST FOR 30 WHICH A LIEN ON YOUR PROPERTY HAS BEEN CREATED BY THE ASHLAND 31 WATER AND SEWER DISTRICT.

32 <u>TO:</u>

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33You are the party named on the certificate filed on, 20.... and recorded in34Book, Page in the Aroostook County Registry of Deeds. This Ashland Water35and Sewer District filing created a mortgage on the real estate described in the certificate.

On, 20...., the mortgage will be foreclosed and your right to redeem the mortgage and recover your property by paying the district's charges and interest that are owed will expire.

39 IF THE LIEN FORECLOSES, THE ASHLAND WATER AND SEWER DISTRICT 40 WILL OWN YOUR PROPERTY, SUBJECT ONLY TO MUNICIPAL TAX LIENS.

1	If you cannot pay the outstanding charges, costs and interest that are subject to this
2	notice or the subject of installment payment arrangements that you have made with the
3	district, please contact me immediately to discuss this notice.
4	
5	District Treasurer
6	SUMMARY
7 8 9	This bill gives the Ashland Water and Sewer District the authority to impose a lien on the property of an individual, firm or corporation for nonpayment of assessments established by the district for service used by the individual, firm or corporation.