

MAINE STATE LEGISLATURE

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SMUG
ROES

L.D. 192

Date: 5/22/15

(Filing No. S-121)

ENERGY, UTILITIES AND TECHNOLOGY

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STATE OF MAINE

SENATE

127TH LEGISLATURE

FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to S.P. 67, L.D. 192, Bill, "An Act To Clarify the Law Governing the Collection of Unpaid Sanitary District Charges"

Amend the bill by inserting after the title and before the enacting clause the following:

'Mandate preamble. This measure requires one or more local units of government to expand or modify activities so as to necessitate additional expenditures from local revenues but does not provide funding for at least 90% of those expenditures. Pursuant to the Constitution of Maine, Article IX, Section 21, 2/3 of all of the members elected to each House have determined it necessary to enact this measure.'

Amend the bill by inserting after the enacting clause and before section 1 the following:

'Sec. 1. 30-A MRSA §3406, sub-§2, as amended by PL 2013, c. 197, §1, is further amended to read:

2. Lien. There is a lien on real estate served or benefited by a municipal sewer or sewer system or storm water disposal system to secure the payment of service charges and interest on delinquent accounts established under this chapter. This lien arises and is perfected as services are provided and takes precedence over all other claims on the real estate, excepting only claims for taxes.

Sec. 2. 30-A MRSA §5405, sub-§2, ¶D, as enacted by PL 1987, c. 737, Pt. A, §2 and Pt. C, §106 and amended by PL 1989, c. 6; c. 9, §2; and c. 104, Pt. C, §§8 and 10, is further amended to read:

D. There ~~shall be~~ is a lien on real estate served or benefitted by a water system, sewer system or water and sewer system to secure the payment of rates, fees or charges established under this chapter. This lien arises and is perfected as services are provided and takes precedence over all other claims on the real estate, excepting only claims for taxes. The treasurer of the municipality may collect these rates, fees and charges in the same manner as provided in Title 38, section 1208 for treasurers of

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COMMITTEE AMENDMENT "A" to S.P. 67, L.D. 192

sanitary sewer districts with respect to rates established and due under Title 38, section 1202.

Sec. 3. 38 MRSA §1050, sub-§2, as enacted by PL 2013, c. 555, §6, is amended to read:

2. Lien. There is a lien on real estate served or benefited by the sewers of the qualified sewer district to secure the payment of the qualified sewer district's rates. The lien established under this section arises and is perfected as services are provided and takes precedence over all other claims on such real estate, except claims for taxes.

Sec. 4. 38 MRSA §1208, first ¶, as enacted by PL 1965, c. 310, is amended to read:

There ~~shall be~~ is a lien on real estate served or benefited by the sewers of any district formed under this chapter to secure the payment of rates established and due under section 1202, which ~~shall take~~ arises and is perfected as services are provided and takes precedence over all other claims on such real estate, excepting only claims for taxes.

Amend the bill in section 1 by striking out all of the last 2 lines (page 1, lines 36 and 37 in L.D.) and inserting the following: 'estate, addressed to such record holder at the record holder's last and usual place of abode. If the notice described in this paragraph was not provided to all persons who were record owners of the real estate at that time, the treasurer shall mail a true copy of the lien certificate by certified mail, return receipt requested, to any such record owner who was not provided a notice, addressed to the record owner at the record owner's last known address, as well as to any new record owner as of the date the lien certificate was recorded.'

Amend the bill in section 2 in the 5th line from the end (page 2, line 10 in L.D.) by striking out the following: "who did not receive a notice" and inserting the following: 'as required by this section'

Amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

SUMMARY

This amendment adds a mandate preamble to the bill. It clarifies the date when sewer and municipal water system liens arise and are initially perfected, which is the date the service is provided. It also clarifies and expands upon a requirement in the bill that the treasurer of a sanitary district must mail a copy of a lien certificate to a record owner of real estate that did not receive a demand notice for the payment of an unpaid rate, toll, rent or other charge of the sanitary district.

FISCAL NOTE REQUIRED

(See attached)



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LR 756(02)

An Act To Clarify the Law Governing the Collection of Unpaid Sanitary District Charges

Fiscal Note for Bill as Amended by Committee Amendment "A" (S-121)

Committee: Energy, Utilities and Technology

Fiscal Note Required: Yes

Fiscal Note

State Mandate - Exempted

State Mandates

Required Activity

Requires sanitary districts to provide to an owner of record not receiving a demand notice, a true copy of a sewer lien certificate and in some cases allow an additional 3 months to pay before automatic foreclosure.

Unit Affected

Public Utility

Local Cost

Insignificant
statewide

Pursuant to the Mandate Preamble, the two-thirds vote of all members elected to each House exempts the State from the constitutional requirement to fund 90% of the additional costs.