

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

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

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:

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

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

The cost to be paid by the owner of the real estate served is the sum of the fees for receiving, recording and indexing the lien, or its discharge, as established by the Maine Revised Statutes, Title 33, section 751, plus \$13 and all certified mail, return receipt requested, fees.

The district shall pay the treasurer \$1 for filing the lien certificate and the amount paid for certified mail, return receipt requested, fees. The fees for recording the lien 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.

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

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

ASHLAND WATER AND SEWER DISTRICT NOTICE
OF IMPENDING AUTOMATIC FORECLOSURE

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

TO:

You are the party named on the certificate filed on, 20.... and recorded in Book, Page in the Aroostook County Registry of Deeds. This Ashland Water and 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.

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

If you cannot pay the outstanding charges, costs and interest that are subject to this notice or the subject of installment payment arrangements that you have made with the district, please contact me immediately to discuss this notice.

.....
District Treasurer

SUMMARY

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.