

FINAL BILL REPORT

HB 1607

C 36 L 91

Synopsis As Enacted

Brief Description: Providing for liens for delinquent service charges of storm water control facilities and city-owned sewer systems.

By Representatives Horn, Roland and Haugen.

House Committee on Local Government
Senate Committee on Governmental Operations

Background: Local governments are authorized to provide a variety of utility services, and may impose rates or charges for the service. The government also possesses a lien for delinquent rates or charges on the property on which the rates or charges were imposed. Some of the lien foreclosure procedures limit the number of days after the date of the initial delinquency that a lien continues to exist, unless the local government files a notice of the lien with the county auditor.

The process for cities and towns to enforce and foreclose sewerage liens includes a limitation that a lien on delinquent sewer service charges exists for only six months without filing a notice of the lien with the county auditor. Once a notice has been filed, the lien continues for subsequent delinquent charges, but the city or town must foreclose the lien within two years from the date of filing the notice.

General law permits the county treasurer to include various non-property tax billings, such as notices for utility service charges, along with the notice of property taxes that are due. The procedure for foreclosing delinquent property taxes does not include a limitation on the time period for which the lien exists without filing a special notice of the delinquency with the county auditor.

Summary: Counties operating storm water utilities may use the procedures by which property taxes are foreclosed for their liens on delinquent storm service charges instead of using the procedures by which cities and towns foreclose delinquent sewer service charges.

Cities and towns may adopt a resolution providing that their liens on delinquent sewer service charges are effective for

up to one year before recording a notice of the lien with the county auditor.

Votes on Final Passage:

House	93	0
Senate	45	0

Effective: July 28, 1991