

HOUSE BILL No. 1268

DIGEST OF INTRODUCED BILL

Citations Affected: IC 36-9-23-32.

Synopsis: Municipal sewage works. Provides that after June 30, 1999, a lien may not attach to real property for unpaid sewer fees if the property is occupied by someone other than the owner of the property. Provides that a lien that attached before July 1, 1999, against real property occupied by someone other than the owner that is not released from the property on July 1, 1999, is void and unenforceable.

Effective: July 1, 1999.

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January 11, 1999, read first time and referred to Committee on Environmental Affairs.

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Introduced

First Regular Session 111th General Assembly (1999)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1998 General Assembly.

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HOUSE BILL No. 1268

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 36-9-23-32 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 32. (a) **Except as**
3 **provided in subsection (c)**, fees assessed against real property under
4 this chapter or under any statute repealed by IC 19-2-5-30 constitute a
5 lien against the property assessed. The lien is superior to all other liens
6 except tax liens. Except as provided in subsections (b) and (c), the lien
7 attaches when notice of the lien is filed in the county recorder's office
8 under section 33 of this chapter.

9 (b) A fee is not enforceable as a lien against a subsequent owner of
10 property unless the lien for the fee was recorded with the county
11 recorder before the conveyance to the subsequent owner. If the property
12 is conveyed before the lien can be filed, the municipality shall notify
13 the person who owned the property at the time the fee became payable.
14 The notice must inform the person that payment, including penalty fees
15 for delinquencies, is due not less than fifteen (15) days after the date of
16 the notice. If payment is not received within one hundred eighty (180)
17 days after the date of the notice, the amount due may be expensed as a



1 bad debt loss.

2 (c) A lien attaches against real property occupied by someone other
 3 than the owner only if the utility notified the owner within twenty (20)
 4 days after the time the utility fees became sixty (60) days delinquent.
 5 However, the utility is required to give notice to the owner only if the
 6 owner has given the general office of the utility written notice of the
 7 address to which his notice is to be sent. **After June 30, 1999, a lien**
 8 **does not attach against real property for fees assessed against the**
 9 **property under this chapter if the property is occupied by a person**
 10 **other than the owner of the property.**

11 (d) The municipality shall release:

12 (1) liens filed with the county recorder after the recorded date of
 13 conveyance of the property; and

14 (2) delinquent fees incurred by the seller;

15 upon receipt of a verified demand in writing from the purchaser. The
 16 demand must state that the delinquent fees were not incurred by the
 17 purchaser as a user, lessee, or previous owner, and that the purchaser
 18 has not been paid by the seller for the delinquent fees.

19 SECTION 2. [EFFECTIVE JULY 1, 1999] **Notwithstanding**
 20 **IC 36-9-23-32, as amended by this act, a lien that:**

21 (1) **attached before July 1, 1999, against real property**
 22 **occupied by someone other than the owner under**
 23 **IC 36-9-23-32(c) before its amendment by this act; and**

24 (2) **is not released from the property on July 1, 1999;**
 25 **is void and unenforceable.**

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