

SENATE BILL NO. 63

BY SENATORS JENKINS AND PRESSLY

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

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AN ACT

To enact R.S. 33:4887, relative to municipal powers; to provide relative to a privilege to municipalities to collect unpaid sewage disposal and water system service charges or user fees charged to a multifamily residential property; to provide relative to privileges and liens; to provide relative to master meter service agreements; to provide relative to the enforcement of a privilege by municipalities on unpaid sewage disposal or water system charges or fees; to provide relative to written demand; to provide relative to delivery and application of payment; to provide relative to sworn detailed statements; to provide relative to ranking and perfection of a privilege by municipalities; to provide relative to notice; to provide relative to filing a privilege by municipalities into the public records; to provide relative to third parties; to provide relative to certain terms, conditions, and procedures; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 33:4887 is hereby enacted to read as follows:

§4887. Municipal powers; demand; sworn detailed statement; privileges; sewer and water

A. The governing authority of a municipality shall have a privilege against a multifamily residential property for the amount of any unpaid service charge or user fee for sewage disposal or water system services the municipality provides. The privilege shall apply only to multifamily residential property that uses a master meter service agreement in which a single water meter or collection of meters measures the total water or sewage services usage for the entire property or multiple units within a development. For purposes of this Section, multifamily residential property shall mean immovable property

1 consisting of more than four dwelling units occupied by persons other than the
2 owner of the immovable property.

3 B. When an owner of a multifamily residential property with a master
4 meter service agreement fails to pay the service charge or user fee for the
5 sewage disposal or water system services, a municipal governing authority
6 seeking to collect the past due amounts owed shall make written demand by any
7 of the following:

8 (1) United States mail postage paid, or commercial courier as defined in
9 Code of Civil Procedure Article 1313(D), to the mailing address designated by
10 the owner.

11 (2) Electronic mail to the address designated by the owner.

12 (3) Hand delivery to the physical location of the multifamily residential
13 property, if neither a mailing address nor an electronic mail address has been
14 designated by the owner.

15 (4) Any other method reasonably calculated to provide notice to the
16 owner.

17 C.(1) The owner shall have thirty days after the written demand to
18 deliver payment for the amount owed to the municipal governing authority.

19 (2) The municipal governing authority shall apply any sums paid by the
20 owner following delivery of the written demand to the balance owed.

21 (3) After expiration of the thirty-day period, the municipal governing
22 authority may file a sworn detailed statement of privilege in accordance with
23 this Section.

24 D. Upon the filing of a sworn detailed statement of privilege, the
25 municipal governing authority shall have a privilege upon the multifamily
26 residential property. The privilege shall secure unpaid service charges, user
27 fees, together with interest thereon at the legal interest rate from the date due.

28 E.(1) The sworn detailed statement of privilege shall be signed and
29 verified by a municipal official with knowledge of the unpaid service charges or
30 user fees for sewage disposal or water system services and filed for registry in

1 the mortgage records of the parish where the multifamily residential property
2 is located. The statement of privilege shall include all of the following:

3 (a) Complete property description of the applicable multifamily
4 residential property.

5 (b) Name of the recorded owner the date that the service charges or user
6 fees became delinquent.

7 (c) Statement of the amount of unpaid service charges or user fees owed
8 for sewage disposal or water system services.

9 (d) Date the written demand was made upon the owner.

10 (2) A privilege pursuant to this Section is effective from the time the
11 statement of privilege is filed for registry in the mortgage records and, except
12 as otherwise provided in the Private Works Act, R.S. 9:4801 et seq., is preferred
13 in rank to all mortgages, privileges, and other rights that become effective
14 against third persons after recordation of the statement of privilege authorized
15 pursuant to this Section.

16 (3) The effect of recordation of a statement of privilege filed under this
17 Section shall cease in accordance with Civil Code Article 3357 and may be
18 reinscribed in accordance with applicable law.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____