

RÉSUMÉ DIGEST

ACT 99 (SB 63)

2025 Regular Session

Jenkins

Existing law (R.S. 33:361) provides that a municipality shall be vested with all powers, rights, privileges, immunities, authorities, and duties in accordance with all constitutional and statutory provisions.

New law retains existing law and expands the powers of municipalities to provide that 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 services or water system services the municipality provides.

New law provides that a multifamily residential property shall mean immovable property consisting of more than four dwelling units occupied by persons other than the owner of the immovable property.

New law provides that when an owner of a multifamily residential property with a master meter service agreement fails to pay the service charge or user fee for the sewage disposal or water system services, a municipal governing authority seeking to collect the past due amounts owed shall make written demand by any of the following:

- (1) U.S. mail postage paid, or commercial courier as defined in existing law to the mailing address designated by the owner.
- (2) Electronic mail to the address designated by the owner.
- (3) Hand delivery to the physical location of the multifamily residential property, if neither a mailing address nor an electronic mail address has been designated by the owner.
- (4) Any other method reasonably calculated to provide notice to the owner.

New law provides that the owner shall have 30 days after the written demand to deliver payment for the amount owed to the municipal governing authority. The municipal governing authority shall apply any sums paid by the owner following delivery of the written demand to the balance owed. After expiration of the 30-day period, the municipal governing authority may file a sworn detailed statement of privilege in accordance with new law.

New law provides that upon the filing of a sworn detailed statement of privilege, the municipal governing authority shall have a privilege upon the multifamily residential property. The privilege shall secure unpaid service charges, user fees, together with interest thereon at the legal interest rate from the date due.

New law provides that the sworn detailed statement of privilege shall be signed and verified by a municipal official with knowledge of the unpaid service charges or user fees for sewage disposal or water system services and filed for registry in the mortgage records of the parish where the multifamily residential property is located. The statement of privilege shall include all of the following:

- (1) Complete property description of the applicable multifamily residential property.
- (2) Name of the recorded owner the date that the service charges or user fees became delinquent.
- (3) Statement of the amount of unpaid service charges or user fees owed for sewage disposal or water system services.
- (4) Date the written demand was made upon the owner.

New law provides that a privilege pursuant to new law is effective from the time the statement of privilege is filed for registry in the mortgage records and, except as otherwise provided in the Private Works Act, is preferred in rank to all mortgages, privileges, and other rights that become effective against third persons after recordation of the privilege authorized pursuant to new law.

New law provides that the effect of recordation of a statement of privilege filed under new law shall cease in accordance with new law and may be reinscribed in accordance with applicable law.

Effective August 1, 2025.

(Adds R.S. 33:4887)