

Department of Legislative Services  
Maryland General Assembly  
2015 Session

FISCAL AND POLICY NOTE

House Bill 49

(Chair, Judiciary Committee)(By Request - Maryland  
Judicial Conference)

Judiciary

Judicial Proceedings

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Clerks of the Circuit Courts - Water and Sewer Lien Registers - Fees

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This bill repeals a requirement that water and sewer authorities must pay a fee of five cents to a clerk of the circuit court to record a lien in a lien register.

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Fiscal Summary

**State Effect:** None.

**Local Effect:** The bill does not materially impact local government finances.

**Small Business Effect:** None.

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Analysis

**Current Law:** The governing bodies of one or more political subdivisions may create a water or sewer authority. An authority (1) is an instrumentality that exercises public and essential government functions; (2) provides for the public health and welfare; and (3) may acquire, hold, construct, extend, repair, improve, operate, or lease as a lessor or lessee one or more projects that are wholly or partly within one or more of the member political subdivisions.

A water and sewer authority has a lien on real property for the amount of any fee, rent, or charge imposed on an owner, tenant, or occupant of the property for the use and services of a project of the authority. The lien includes any accrued interest and begins at the time when the fee, rent, or charge becomes due and payable. The lien is superior to any interest of an owner, tenant, or occupant of the affected property.

A water and sewer authority lien binds or affects a subsequent bona fide purchaser of the property who purchases for valuable consideration and without actual notice of the lien only after the amount of the lien is entered in a lien register that is furnished for this purpose by and at the expense of the authority and kept among the county land records.

The clerk of the circuit court in the county where real estate is located (1) must keep and make available for public inspection any lien register that an authority provides to the clerk; (2) must record and index in the lien register any entry that the authority certifies; and (3) is entitled to a fee of five cents for each entry that the clerk makes. To record a lien, an authority must pay to the clerk of the circuit court a fee of five cents for each entry, which must be added to the amount of the lien.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** SB 62 (Chair, Judicial Proceedings Committee) (By Request - Maryland Judicial Conference) – Judicial Proceedings.

**Information Source(s):** Maryland Department of the Environment, Judiciary (Administrative Office of the Courts), Department of Legislative Services

**Fiscal Note History:** First Reader - January 29, 2015  
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