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REVISE JUDGMENT LIEN PROCEDURES

House Bill 4941

Sponsor: Rep. Andrew Raczkowski

**Committee: Local Government and
Urban Policy**

Complete to 10-7-99

A SUMMARY OF HOUSE BILL 4941 AS INTRODUCED 10-5-99

House Bill 4941 would amend the Revised Judicature Act to add a new chapter, Chapter 28, specifying procedures for filing a judgment lien.

Under the bill, a final judgment of a court of this state (or a foreign judgment) would become a lien against the real property of a debtor in the county within which a notice of judgment lien was filed, if six conditions were satisfied as follows:

-the notice of judgement lien was filed with the register of deeds in the county where the judgment debtor's property was located;

-a copy of the judgment was attached to the notice of judgment lien;

-the judgment had not expired;

-the filing fee was paid to the register of deeds;

-a copy of the notice of judgment lien was served on the judgment debtor at his or her last known address by first-class mail; and

-a copy of the judgment lien notice and proof of service was filed with the court that issued the judgment, indicating service of the notice on the debtor.

The bill also specifies that a notice of judgment lien would have to contain the caption of the case in which the judgment underlying the lien was obtained, including the names of the parties, the court, the case number, the date and amount of the judgment, any accrued interest, any accrued court costs, the total payments made, and the current balance of the judgment as of the date of filing the notice of judgment lien. The judgment lien would not be required to include a legal description of real property.

Under House Bill 4941, a judgment lien satisfied these conditions would have priority over all other liens that are filed with the register of deeds subsequent to the filing date of the notice of lien, and also would attach to all real property acquired by the judgment debtor after the filing date of the judgment lien notice in each county in which the judgment lien had been filed.

The bill would require the register of deeds to file the judgment lien in the miscellaneous index. Further, it would specify that a judgment lien was extinguished when one or more of the following events occurred: the judgment expired; the judgment creditor filed a release with the register of deeds; a true copy of a satisfaction of judgment was filed with the register of deeds; or, a true copy of a court order that directs the release of the lien had been filed with the register of deeds.

House Bill 4941 further specifies that a judgment lien could be foreclosed by a sale that is undertaken by an appointed court officer, in the same manner as the sale of any real estate taken on execution, pursuant to the sections of the Revised Judicature Act that concern execution sales and realty sales (MCL 600.6041-600.6042, 600.6044-600.6046, and 600.6052-6072). Finally, the bill specifies that a judgment lien is in addition to and separate from any other remedy or interest created by law or contract.

MCL 600.2801-600.2807

Analyst: J. Hunault

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.