

# Legislative Analysis

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## WATER DISTRIBUTION OR SEWAGE SYSTEM LIEN

Phone: (517) 373-8080  
<http://www.house.mi.gov/hfa>

**House Bill 5113 as introduced**  
**Sponsor: Rep. Laura Cox**  
**Committee: Local Government**  
**Complete to 5-4-16**

Analysis available at  
<http://www.legislature.mi.gov>

*Public Act 421 of 2016*

### SUMMARY:

House Bill 5113 would amend Public Act 178 of 1939, which addresses municipal water liens, by extending the enforceable period for a lien from three years to ten years.

A lien is an interest against a property, to secure a debt the property owner owes to another person.

Now under the law, if a municipality's water distribution system or sewage system provides services to a property, the municipality has, as security that any charges or assessments will be paid, an immediate lien against the property to which it provides services. The lien is effective immediately upon provision of services.

House Bill 5113 would retain that provision, but extend the period for which the lien is enforceable from three years to ten years.

The bill would take effect 90 days after it is enacted.

MCL 123.162

### FISCAL IMPACT:

The bill is being examined to see if a fiscal impact can be determined.

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