

NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION ACT (EXCERPT)
Act 451 of 1994

324.16908b Unpaid cleanup costs; lien; filing of petition by attorney general; type of lien; duration; release.

Sec. 16908b.

(1) All unpaid cleanup costs for scrap tires accumulated after January 1, 1991 that are incurred under section 16908(2)(c), including any staff costs, costs of surveillance and enforcement, and attorney costs or fees constitute a lien in favor of this state upon a collection site that has been the subject of cleanup activity by this state. A lien under this subsection has priority over all other liens and encumbrances except liens and encumbrances recorded before the date the lien under this subsection is recorded. A lien under this subsection arises when this state first incurs such cleanup costs at the collection site.

(2) If the attorney general determines that the lien provided in subsection (1) is insufficient to protect the interest of this state in recovering the cleanup costs at a collection site, the attorney general may file a petition in the circuit court for the county in which the property is located seeking either or both of the following:

(a) A lien upon the collection site subject to the scrap tire cleanup activity that takes priority over all other liens and encumbrances that are or have been recorded on the collection site.

(b) A lien upon real or personal property or rights to real or personal property other than the collection site, owned by the person who owns the collection site, having priority over all other liens and encumbrances recorded prior to the date the lien under this subsection is recorded. However, the following are not subject to the lien provided for in this subdivision:

(i) Assets of a qualified pension plan or individual retirement account under the internal revenue code.

(ii) Assets held expressly for the purpose of financing a dependent's college education.

(iii) Up to \$500,000.00 in nonbusiness real or personal property or rights to real or personal property, except that not more than \$25,000.00 of this amount may be cash or securities.

(3) A petition submitted pursuant to subsection (2) shall set forth with as much specificity as possible the type of lien sought, the property that would be affected, and the reasons the attorney general believes the lien is necessary. Upon receipt of a petition under subsection (2), the court shall promptly schedule a hearing to determine whether the petition should be granted. Notice of the hearing shall be provided to the attorney general, the property owner, and any persons holding liens or perfected security interests in the real property subject to the cleanup activity.

(4) In addition to the lien provided in subsections (1) and (2), if this state incurs costs for cleanup activity under section 16908(2)(c) that increase the market value of the real property that is the location of the cleanup activity, the increase in value caused by the state-funded cleanup activity, to the extent this state incurred unpaid cleanup costs, constitutes a lien in favor of the state upon the real property. This lien has priority over all other liens or encumbrances that are or have been recorded upon the property.

(5) A lien provided in subsection (1), (2), or (4) is perfected against real property when a notice of lien is filed by the department with the register of deeds in the county in which the real property is located. In addition, the department shall, at the time of the filing of the notice of lien, provide a copy of the notice of lien to the owner of that property by certified mail.

(6) A lien under this section continues until the liability for the cleanup costs is satisfied.

(7) Upon satisfaction of the liability secured by the lien, the department shall file a notice of release of lien in the same manner as provided in subsection (5).

History: Add. 2006, Act 528, Imd. Eff. Dec. 29, 2006

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