

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action:	Do Pass
Vote:	9 - 0 - 1
Yeas:	Fagan, Holvey, Kennemer, Matthews, Thatcher, Thompson, Weidner, Witt, Doherty
Nays:	0
Exc.:	Barton
Prepared By:	Jan Nordlund, Administrator
Meeting Dates:	2/25, 3/4

WHAT THE MEASURE DOES: Changes from \$250 to \$1,000 value of chattel sold at foreclosure sale for which person must file statement of account with county.

ISSUES DISCUSSED:

- Expense of notifying and conducting foreclosure sale
- Nuisance to dispose of chattel of low value

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: Chattel includes movable objects that are capable of being owned, as distinguished from real property. House Bill 2688 applies to the foreclosure of a four types of liens: possessory liens for labor or material expended on chattel, innkeeper liens, liens for the care of animals, and landlord liens. Under current law, a person foreclosing a lien must file a statement of account with the county clerk if the chattel sold at the foreclosure sale has a fair market value of at least \$250. The statement of account must show 1) the amount of the lien claim and the cost of foreclosing the lien; 2) a copy of the published or posted notice of sale; 3) the amount received at sale; and 4) the name of each person who received proceeds from the sale and the amount each person received.

The \$250 threshold for requiring the statement of account was set in 1975, when the statute was created. House Bill 2688 raises the threshold from \$250 to \$1,000.