

**40-3902. Same; creating tax lien in proceeds of fire insurance policies.** The governing body of any city is hereby authorized to create, by ordinance, a lien in favor of any such city in the proceeds of any insurance policy based upon a covered claim payment made for damage or loss to a building or other structure, caused by or arising out of any fire, explosion or windstorms. The lien arises upon any unpaid tax, special ad valorem levy, special assessment or other charge imposed upon real property by or on behalf of the city which is an encumbrance on real property, whether or not evidenced by written instrument, or such tax, levy, assessment, expense or other charge that has remained undischarged for at least one year prior to the filing of a proof of loss.

**History:** L. 1982, ch. 192, § 3; L. 1998, ch. 84, § 1; Apr. 16.