§ 22. Claims against fire insurance proceeds; procedure. 1. As used in this section, any inconsistent provision of law notwithstanding, the following terms shall have the following meanings:

(a) "Enforcing officer" means the elected or appointed officer of any tax district charged by law with the duty to enforce the collection of tax liens on real property.

(b) "Governing body" means the legislative body for the tax district.

(c) "Lien" means an unpaid tax, special ad valorem levy, special assessment or other charge imposed upon real property by or on behalf of a municipal corporation or special district which is an encumbrance on real property, whether or not evidenced by a written instrument, and provided that one such tax, levy, assessment or other charge has remained undischarged for a period of one year or more.

(d) "Municipal corporation" means a county, city, town, village or school district.

(e) "Real property" means property upon which there is erected any residential, commercial or industrial building or structure except an owner-occupied single family residential structure and owner-occupied two family residential structures.

(f) "Tax district" means a county, city, town or village having the power to enforce the collection of taxes, special ad valorem levies, special assessments or other charges imposed upon real property by or on behalf of a municipal corporation or special district.

2. Every tax district is hereby authorized and empowered to claim against the proceeds of a policy of fire insurance insuring the interest of an owner and issued on real property located therein to the extent of any lien thereon which claim, when made and perfected in the manner provided in this section, shall further constitute a lien against such proceeds and which shall, as to such proceeds, be prior to all other liens and claims except the claim of a mortgagee of record named in such policy.

3. Upon the adoption of a resolution by the governing body providing therefor, the enforcing officer of the tax district shall cause a notice of intention to claim against proceeds to be served upon the state superintendent of financial services for entry in the index of tax

districts maintained by him as provided in section three hundred thirty-one of the insurance law. Thereafter the enforcing officer shall render to any insurer the certificate required and in the manner prescribed by such section and the amounts stated in such certificate shall be a lien on the proceeds of the insurance policy until paid.

4. No resolution adopted as provided for in subdivision three hereof shall be effective unless prior thereto the local legislative body for the tax district shall have adopted a local law providing for the release or return to the insured of any amounts to which it would otherwise be entitled to claim provided that the insured agrees with the tax district in writing to restore the affected premises to the same or improved condition that it was in prior to the time that the lien of such district against proceeds provided for in this section arose, subject to such conditions as such resolution shall provide to guarantee performance of such obligation including, but not limited to, an agreement to deposit such proceeds in an escrow account or that the insured shall obtain a performance bond.

5. The provisions of this section shall not be deemed or construed to alter or impair the right of a tax district to acquire or enforce any lien against real property but shall be in addition to any other power provided by law to acquire or enforce such right.