CONSTRUCTION LIEN DIGEST

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Editor

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GLOSSARY OF TERMS

INTRODUCTION

Construction Lien Digest is designed as a handy desk reference for creditors who supply the construction industry with materials and/or labor. A well-informed credit executive is aware that protecting lien and Bond rights is crucial in securing the extension of credit.

For each jurisdiction, *Construction Lien Digest* is divided into two sections:

- (1) Construction Liens for private projects, and;
- (2) *Bond Claims* on public projects.

In some cases, a *Lien on Funds* (also known as a *Stop Notice or Public Improvement Lien*) may be available. Which state law applies depends upon the location of the project. Federal projects are governed by Federal law (The Miller Act), which pre-empts state bond laws.

The most important consideration in protecting Lien/Bond rights is knowing if a *Preliminary Notice* is required and when it must be filed. *Construction Lien Digest* provides this information.

Construction Lien Digest is not a "do-it-yourself" reference guide. When it comes to the actual preparation and filing of documents, we recommend utilizing LienMaster or corporate counsel for the following reasons:

- (1) Each state follows its own unique requirements for protecting Lien/Bond rights.
- (2) Courts require "strict compliance" in order to afford protection to construction creditors, i.e., the t's must be crossed, and the i's must be dotted.
- (3) A Preliminary Notice or Construction Lien filed incorrectly may be invalid or useless.
- (4) A *Preliminary Notice or Construction Lien* filed <u>late</u> may be invalid and useless.
- (5) The job information provided by your customer is helpful, but is usually insufficient to completely secure your rights. Verifying the exact construction chain, the exact street address, the full legal description of the property, or the Payment Bond number; these are all essential ingredients for proper protection, yet such information is usually not provided by your customer.

Construction Lien Digest focuses on providing information to <u>material suppliers</u> and <u>subcontractors</u> for <u>commercial construction</u>. The lien/Bond laws may vary as applied to general contractors or residential construction.

The Deadlines provided in Construction Lien Digest are the last possible date on which specific action must be taken. The specific laws allow and LienMaster strongly recommends that the *Preliminary Notice*, *Construction Lien* or *Bond Claim* be filed well before the deadline.

Deadline Summary for Prelim Notices, Liens, and Bond Claims

			110	uces,		Bond Claims
State	Private	Public			Private	Public
	Preliminary Notice:	Preliminary Notice:	L ļ		chanic's Lien	Bond Claim
Alabarra		from <u>First</u> Furnishing			<u>Last</u> Furnishing	from <u>Last</u> Furnishing
Alabama		30 days		4 months		90 days
Alaska	Before	30 days		120 days		90 days
Arkansas	20 days 30 days *Before	20 days		120 days 120 days		90 days
Arkansas California		30 days 20 days		120 days 90 days		90 days 90 days
Colorado	30 days	30 days			ntent 10 day prior	90 days
Connecticut	30 days	30 days		90 days	ntont to day prior	180 days
Delaware	30 days	30 days		120 days		90 days
DC	30 days	30 days		90 days		90 days
Florida	45 days	45 days		90 days		90 days
Georgia	30 days	30 days		90 days		90 days
Hawaii	30 days	30 days		45 days		90 days
Idaho	30 days	30 days		90 days		90 days
Illinois	30 days *60 days	30 days		90 days/4 r	nonths	180 days
Indiana	30 days *30 days	30 days		90 days		60 days
lowa		30 days		90 days		30 days
Kansas		30 days				90 days
Kentucky	30 days	30 days			ntent/6 months/*75 d	
Louisiana	30 days/ 75 days**	30 days/ 75 days**	_		from accept	75 days/45 from accept
Maine	30 days	30 days		90 days	/ 400 BE	90 days
	30 days	30 days		120 days IL	_/ 180 ML	90 days
	30 days	20 days		90 days		65 days
Michigan Minnesota	20 days 45 days	30 days		90 days 120 days		90 days 120 days
Mississippi	30 days	30 days 30 days		120 days 12 months		90 days
Mississippi Missouri	30 days	30 days			ntent 10 day prior	90 days
Montana	20 days	30 days		90 days	mont to day prior	90 days
Nebraska	30 days	30 days		120 days		4 months
Nevada	31 days	30 days		90 days		90 days
New Hampshire		30 days		120 days		90 days
New Jersey	30 days *30 days	Before		90 days		1 year
New Mexico		30 days		90 days		90 days
New York	30 days	30 days		8 months *	4 months	120 days
		75 days		120 days		120 days
North Dakota	30 days	30 days		90 days		90 days
Ohio	21 days	21 days		75 days *6	0 days	90 days
Oklahoma	75 days	30 days		90 days		90 days
Oregon	8 days	30 days		75 days		180 days
Pennsylvania	45 days	30 days			ntent/6 months Lien	90 days
Rhode Island	30 days	30 days		200 days		90 days
		30 days		90 days		90 days
	30 days	30 days	_		ent / 120 days Lien	90 days
Tennessee**	30 days/90 days 15th Day of 2nd	30 days 15th Day of 2nd		90 days		90 days
Texas**	Month	Month		15th Day a	f 4th Month	15th Day of 3rd Month
Utah	20 days	20 days		90 days	1 7(11 WIVII(II	90 days
Vermont	30 days	30 days		180 days		90 days
Virginia	30 days	30 days		90 days		90 days
Washington	60 days	10 days		90 days		30 days
West Virginia	30 days	30 days		100 days		90 days
Wisconsin	60 days	60 days			ntent/6 months Lien	90 days
Wyoming	30 days	60 days		90 days		90 days
CANADA						
Alberta	30 days	30 days		45 days		45 days
British Columbia	30 days	30 days		45 days		120 days
						120 days from
Manitoba	30 days	30 days		40 days		payment due date
	30 days	30 days		60 days		60 days
	30 days	30 days		30 days		30 days
Northwest Territor		30 days	_	60 days		60 days
Nova Scotia	30 days	30 days	_	45 days		45 days
Ontario	30 days	30 days		60 days		90 days
Prince Edward Isla		30 days		60 days		60 days
	Before	Before		30 days		30 days
	30 days	30 days		40 days		40 days
Yukon Territories		30 days		30 days	al	
**Must furnish m		Regular = recommen		* Residenti	aı	Revised 10/2022

Bold = required

Regular = recommended

Revised 10/2022

CONSTRUCTION LIEN DIGEST

MICHAEL C. BROWN, ESQ.

Editor

Last Revised 10/2019

Please click on project location below for detailed information.

LIMITED STATES

UNITED STATES								
$\underline{\mathbf{AL}}$	<u>CT</u>	<u>ID</u>	<u>LA</u>	MS	<u>NJ</u>	<u>OK</u>	<u>TN</u>	$\overline{\mathbf{W}}$
<u>AK</u>	DE	<u>IL</u>	ME	<u>MO</u>	<u>NM</u>	<u>OR</u>	<u>TX</u>	<u>WI</u>
\mathbf{AZ}	<u>DC</u>	<u>IN</u>	MD	MT	NY	<u>PA</u>	<u>UT</u>	$\underline{\mathbf{WY}}$
<u>AR</u>	$\underline{\mathbf{FL}}$	<u>IA</u>	MA	<u>NE</u>	<u>NC</u>	<u>RI</u>	$\overline{\mathbf{VT}}$	
CA	GA	KS	MI	NV	ND	<u>SC</u>	VA	
CO	HI	KY	MN	NH	OH	SD	WA	

FEDERAL PROJECTS

Miller Act - Bond Claims

CANADA

<u>Alberta</u>	New Brunswick	Nova Scotia	Quebec
British Columbia	Newfoundland	<u>Ontario</u>	Saskatchewan
Manitoba	Northwest Territories	Prince Edward Island	

CARIBBEAN

Virgin Islands Puerto Rico

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NOTE: This publication is designed as a summary of the basic requirements of state and federal laws. It provides general information of interest to the construction industry. It is <u>not</u> intended to provide specific legal advice or to address fact-specific issues. Please consult legal counsel before acting on the information provided herein

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ALABAMA

PRIVATE PROJECTS

MECHANIC'S LIEN Ala. Code § 35-11-1 et seq.

File PRELIMINARY NOTICE before first furnishing.

File MECHANIC'S LIEN within 4 months of last furnishing.

File SUIT to enforce Lien within 6 months of last furnishing.

- Failure to file Preliminary Notice may not be fatal. May still file Mechanic's Lien within **4 months** of last furnishing and have "Limited-Lien" rights
- Must send Notice of Intent to Lien prior to filing Mechanic's Lien.
- Direct-Lien State.
- Owner can limit liability on direct lien by responding to Preliminary Notice that owner will not be responsible for payment.

PUBLIC PROJECTS

BOND CLAIM Ala. Code § 39-1-1 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File BOND CLAIM **45 days** prior to suit. Still recommend filing within **90 days** of last furnishing.

File SUIT to enforce Bond Claim within 1 year of completion and acceptance of the project.

- Alabama law requires public works contracts of \$50,000 or more to be bonded.
- Attorney's fees may be recoverable if suit is filed to enforce Bond Claim.
- Federal Projects in Alabama--see Section on MILLER ACT BOND CLAIMS

ALASKA

PRIVATE PROJECTS

MECHANIC'S LIEN Alaska Stat. § 34.35.005 et seq.

File PRELIMINARY NOTICE before first furnishing.

File MECHANIC'S LIEN within **120 days** of last furnishing or within **15 days** of the filing of a Notice of Completion, whichever occurs first.

File SUIT to enforce Lien within 6 months from the date the Mechanic's Lien is filed.

- Failure to file Preliminary Notice is not fatal. The claimant then has the burden of proof to show that the owner knew of and consented to the furnishing.
- Direct-Lien State.

PUBLIC PROJECTS

BOND CLAIM Alaska Stat. § 36.25.010 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File BOND CLAIM within 90 days of last furnishing.

File SUIT to enforce Bond Claim within 1 year from completion and acceptance of the project.

- Alaska law requires public works contracts of \$100,000 or more to be bonded.
- Federal projects in Alaska--see section on MILLER ACT BOND CLAIMS

ARIZONA

PRIVATE PROJECTS

MECHANIC'S LIEN Ariz. Rev. Stat. § 33-981 et seq.

File PRELIMINARY NOTICE within 20 days of first furnishing.

File MECHANIC'S LIEN within **120 days** of completion of entire project or within **60 days** of the filing of a Notice of Completion.

File SUIT to enforce Lien within 6 months from date the Lien is filed.

- A late Preliminary Notice will still be effective for materials furnished within 20 days prior to notice and thereafter
- Because of the difficulty in accurately determining the Mechanic's Lien deadline, we recommend filing Mechanic's Lien as soon as account is past due.
- Completion is defined as (1) 30 days after final inspection and acceptance by public authority which issued building permit, or (2) cessation of labor for 60 days. If no final inspection or no permit is issued, completion is defined as last date of furnishing material/labor to the project.
- The owner or agent must send a copy of a recorded Notice of Completion within 15 days after recording to all parties who filed a 20-day Preliminary Notice.
- Direct-Lien State.

PUBLIC PROJECTS

BOND CLAIM Ariz. Rev. Stat. § 34-223 et seq.

File PRELIMINARY NOTICE within **20 days** of first furnishing.

File BOND CLAIM within **90 days** of last furnishing.

File SUIT to enforce Bond Claim within 1 year of last furnishing.

- A late Preliminary Notice will still be effective for materials furnished within 20 days prior to notice and thereafter
- Federal projects in Arizona--see section on MILLER ACT BOND CLAIMS

ARKANSAS

PRIVATE PROJECTS

MECHANIC'S LIEN Ark. Code Ann. § 18-44-101 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File INTENT TO LIEN within 75 days of last furnishing.

File MECHANIC'S LIEN within **120 days** of last furnishing. Notice of Intent must be filed **10 days** prior to filing Lien.

File SUIT to enforce Lien within 15 months from the date the Lien is filed.

- For residential real estate containing 4 or fewer units, preliminary notice must be given prior to the supplying of any material.
- Limited-Lien state.

PUBLIC PROJECTS

BOND CLAIM Ark. Code Ann. § 18-44-503 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File BOND CLAIM within 90 days of last furnishing.

File SUIT to enforce Bond Claim within 6 months of completion and acceptance of the project.

- Although state law does not provide a deadline, the terms of most Payment Bonds require filing Bond Claim within **90 days** of last furnishing.
- Arkansas law requires public works contracts in excess of \$20,000.00 to be bonded.
- Federal projects in Arkansas--see section on MILLER ACT BOND CLAIMS

CALIFORNIA

PRIVATE PROJECTS

MECHANIC'S LIEN Cal. Civ. Code § 3082 et seq.

File PRELIMINARY NOTICE within 20 days of first furnishing.

File MECHANIC'S LIEN within **90 days** from completion of project or within **30 days** after a Notice of Completion is recorded.

File SUIT to enforce Lien within 90 days from the date the Lien is filed.

- As a practical matter, the Mechanic's Lien should be filed within **90 days** of last furnishing.
- A late Preliminary Notice is effective for furnishings within 20 days prior to the notice and thereafter.
- Direct-Lien state.

CALIFORNIA

PUBLIC PROJECTS

BOND CLAIM Cal. Civ. Code § 9550 et seq.

File PRELIMINARY NOTICE within 20 days of first furnishing.

File BOND CLAIM within 90 days of last furnishing.

File SUIT to enforce Bond Claim within 6 months and 30 days from the recording of a Notice of Completion, or within 6 months and 90 days from project completion, if no Notice of Completion is recorded.

- If no Preliminary Notice is given, a Bond Claim can be perfected by giving notice to the surety within **15 days** after recording of a Notice of Completion, or **75 days** after completion, if no Notice of Completion is recorded.
- Although state law does not provide a deadline, the terms of most Payment Bonds require filing Bond Claim within **90 days** of last furnishing.
- As a practical matter, suit should be filed within **6 months** from last furnishing.

STOP NOTICE Cal. Civ. Code § 9356 et seq.

File PRELIMINARY NOTICE within 20 days of first furnishing.

File STOP NOTICE within **90 days** from Completion of project or within **30 days** from the date the owner or contractor files a Notice of Completion.

File SUIT to enforce Stop Notice within **180 days** from completion or cessation of project or within **120 days** from the date the owner or contractor files a Notice of Completion.

- As a practical matter, the Stop Notice should be filed within **90 days** of last furnishing. Suit should be filed within **120 days** of last furnishing.
- Federal Projects in California--see section on

MILLER ACT BOND CLAIMS

COLORADO

PRIVATE PROJECTS

MECHANIC'S LIEN Col. Rev. Stat. § 38-22-101 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File MECHANIC'S LIEN within **4 months** of last furnishing. Notice of Intent must be filed **10 days** prior to filing Lien.

File SUIT to enforce Lien within **6 months** of completion of project, or **6 months** of last furnishing, whichever is later.

- Affidavit of Proof of Service of Notice must be filed along with Mechanic's Lien.
- The owner/occupier of a single-family residence who has paid the full contract price has a complete defense to liens. Furthermore, the lien must be filed within **2 months**.
- Direct-Lien state.

PUBLIC PROJECTS

BOND CLAIM Col. Rev. Stat. § 38-26-101 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File BOND CLAIM within 90 days of last furnishing.

File SUIT to enforce Bond Claim within 6 months of completion of project or within 90 days of final settlement.

• Although state law does not provide a deadline, the terms of most Payment Bonds require filing Bond Claim within **90 days** of last furnishing.

LIEN ON FUNDS Col. Rev. Stat. § 38-26-107 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File LIEN ON FUNDS before final settlement.

File SUIT to enforce Lien on Funds within 90 days from final settlement.

• Federal Projects in Colorado--see section on MILLER ACT BOND CLAIMS

CONNECTICUT

PRIVATE PROJECTS

MECHANIC'S LIEN Conn. Gen. Stat. § 49-33 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File MECHANIC'S LIEN within **90 days** of last furnishing. Notice of Intent must be filed along with Lien.

File SUIT to enforce Lien within 1 year from date Lien filed.

- Lien must be personally served on the project owner and general contractor by State Marshall.
- Limited-Lien state.

PUBLIC PROJECTS

BOND CLAIM Conn. Gen. Stat. § 49-41 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File BOND CLAIM within 180 days of last furnishing.

File SUIT to enforce Bond Claim within 1 year of last furnishing.

- No bond required for general contractor bid less than \$50,000 or for subcontractor bid less than \$50,000.
- May request copy of bond from State Attorney General.
- Federal projects in Connecticut--see section on MILLER ACT BOND CLAIMS

DELAWARE

PRIVATE PROJECTS

MECHANIC'S LIEN Del. Code Ann. Tit. 25 § 2701 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File MECHANIC'S LIEN within **120 days** of last furnishing. Filing Lien in Delaware requires filing suit.

SUIT deadline is same as Lien deadline.

- Owner may request periodic list of potential lienors from contractor or subcontractor.
- Limited-Lien state.

PUBLIC PROJECTS

BOND CLAIM Del. Code Ann. Tit. 29 § 6901 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File BOND CLAIM within 90 days of last furnishing.

File SUIT to enforce Bond Claim within 3 years of the date the last work was done on the contract.

- Although state law does not provide a deadline, the terms of most Payment Bonds require filing Bond Claim within **90 days** of last furnishing.
- Bond must be in an amount equal to 100% of the contract price.
- Bond can limit suit deadline to 1 year. Therefore, it is recommended Suit be filed within 1 year of the date the last work was done on the contract.
- Federal projects in Delaware--see section on MILLER ACT BOND CLAIMS

DISTRICT OF COLUMBIA

PRIVATE PROJECTS

MECHANIC'S LIEN D.C. Code Ann. § 40-303.01 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File MECHANIC'S LIEN within 90 days of completion of project.

File SUIT to enforce Lien within 180 days from date Lien filed.

- According to statute, only contractors and subcontractors have Lien rights.
- Limited-Lien jurisdiction.
- In order to file in D.C., the Recorder requires a copy of a Business License and Certificate of Good Standing.

PUBLIC PROJECTS

BOND CLAIM D.C. Code Ann. § 2-305.01 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File BOND CLAIM within 90 days of last furnishing.

File SUIT to enforce Bond Claim within 1 year of last furnishing.

- Material suppliers are protected under the bond statutes.
- D.C. Code requires the Mayor to furnish a certified copy of the bond.
- Federal projects in District of Columbia--see section on MILLER ACT BOND CLAIMS

FLORIDA

PRIVATE PROJECTS

MECHANIC'S LIEN F.S. § 713.001 et seq.

File PRELIMINARY NOTICE within 45 days from first furnishing.

File MECHANIC'S LIEN within 90 days of last furnishing.

File SUIT to enforce Lien within 1 year from date Lien filed.

- Regarding "specially fabricated" materials, "first furnishing" has been construed as the date
 when the fabrication process begins. Consult LienMaster to see if this may apply to your
 situation.
- General contractor or owner may require potential lien claimant to furnish monthly Statements of Account. Contact LienMaster if a written demand is received.
- Limited-Lien State.

PUBLIC PROJECTS

BOND CLAIM F.S. § 255.05 et seq.

File PRELIMINARY NOTICE within 45 days from first furnishing.

File BOND CLAIM within 90 days of last furnishing.

File SUIT to enforce Bond Claim within 1 year of last furnishing.

- No Bond required on projects of \$100,000 or less.
- Contractor can shorten time for filing suit to **60 days** by serving Notice of Contest of Claim.
- Federal Projects in Florida--see section on MILLER ACT BOND CLAIMS

GEORGIA

PRIVATE PROJECTS

MECHANIC'S LIEN Ga. Code § 44-14-360 et seq.

File PRELIMINARY NOTICE within 30 days of first furnishing.

File MECHANIC'S LIEN within 90 days of last furnishing.

File SUIT to enforce Lien within 365 days from filing lien.

- IMPORTANT: In order to be paid on Georgia projects, suppliers / subcontractors may be asked to sign an Interim Waiver and Release Upon Payment form. If you sign the Interim Waiver, and you are <u>NOT</u> paid within <u>90 Days</u>, you <u>MUST</u> file an Affidavit of Nonpayment within 90 Days from signing the waiver. LienMaster can handle this for you, but you must come to us no later than 75 Days from signing the Interim Waiver.
- Limited-Lien State.

PUBLIC PROJECTS

BOND CLAIM Ga. Code § 36-82-101 et seq.

File PRELIMINARY NOTICE within 30 days of first furnishing.

File BOND CLAIM within **90 days** of last furnishing.

File SUIT to enforce Bond Claim within 1 year of completion of project and acceptance by public authority.

- Payment Bonds required to be furnished by general contractor for all public projects of \$100,000 or more. If public authority fails to require a bond, they will be liable to subcontractors and material suppliers in the event of non-payment.
- Federal Projects in Georgia--see section on MILLER ACT BOND CLAIMS

HAWAII

PRIVATE PROJECTS

MECHANIC'S LIEN Haw. Rev. Stat § 507-42 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File MECHANIC'S LIEN within 45 days of the filing of a Notice of Completion.

File SUIT to enforce Lien within 3 months from date Lien filed.

- Filing Lien in Hawaii requires a court order.
- Direct-Lien State.

PUBLIC PROJECTS

BOND CLAIM Haw. Rev. Stat § 103D-323 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

BOND CLAIM within 90 days of last furnishing.

File SUIT to enforce Bond Claim within 1 year after last furnishing.

- Attorney fees are recoverable where surety wrongfully denies claim.
- Federal Projects in Hawaii--see section on MILLER ACT BOND CLAIMS

IDAHO

PRIVATE PROJECTS

MECHANIC'S LIEN Idaho Code § 45-501 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File MECHANIC'S LIEN within 90 days of last furnishing.

File SUIT to enforce Lien within 6 months from date Lien filed.

- Copy of Lien must be served on owner within **5 business days** of filing.
- Attorneys' fees and costs are recoverable in a successful lien foreclosure.
- Direct-Lien State.

PUBLIC PROJECTS

BOND CLAIM Idaho Code § 54-1925 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File BOND CLAIM within 90 days of last furnishing.

File SUIT to enforce Bond Claim within 1 year from last furnishing.

- Bond must be in amount not less than 85% of the contract amount.
- Federal Projects in Idaho--see section on MILLER ACT BOND CLAIMS

ILLINOIS

PRIVATE PROJECTS

MECHANIC'S LIEN 770 ILCS 60/0.01 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File NOTICE OF INTENT within **90 days** of last furnishing. There is a **10-day** waiting period between the Notice of Intent and the Lien.

File MECHANIC'S LIEN within 4 months of last furnishing.

File SUIT to enforce Lien within 2 years of last furnishing.

- For owner-occupied single-family residences, preliminary notice must be given within **60** days from first furnishing.
- No-lien contracts are prohibited.
- Suit deadline can be shortened to **30 days** from date claimant receives Notice to Commence Suit.
- Limited-Lien State.

PUBLIC PROJECTS

BOND CLAIM 30 ILCS 550/2 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File BOND CLAIM within **180 days** of last furnishing. However, we recommend filing within **90 days** to induce payment.

File SUIT to enforce Bond Claim within **6 months** from completion and acceptance of project by public authority.

PUBLIC IMPROVEMENT LIEN 770 ILCS 60/23 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

PUBLIC IMPROVEMENT LIEN - no specific deadline, but lien only attaches to unpaid funds.

File SUIT to enforce Lien within 90 days from date of filing.

- Filing both a Bond Claim and a Public Improvement Lien is recommended to fully protect rights and to increase the likelihood of payment.
- Federal Projects in Illinois--see section on MILLER ACT BOND CLAIMS

INDIANA

PRIVATE PROJECTS

MECHANIC'S LIEN Indiana Code § 32-8-3-1 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File MECHANIC'S LIEN within 90 days of last furnishing; 60 days of last furnishing for residential projects.

File SUIT to enforce Lien within 1 year from filing of Lien, or within 30 days of receipt of Notice to Commence Suit.

- On residential projects, file PRELIMINARY NOTICE within **30 days** of first furnishing for repairs or alterations and within **60 days** for original construction.
- No-lien contracts are enforceable in Indiana on residential and public utility projects, if properly recorded.
- Direct-Lien State.

STOP NOTICE Indiana Code § 32-8-3-9 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

STOP NOTICE - No specific statutory deadline but stop notice only attaches to unpaid funds.

SUIT - no specific statutory deadline.

• Stop Notice on private project allows claimant to attach any monies due the general contractor from the owner. Owner can become personally liable.

PUBLIC PROJECTS

BOND CLAIM Indiana Code § 4-13.6-1-1 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File BOND CLAIM within 60 days of last furnishing.

File SUIT to enforce Bond Claim within 1 year from completion and acceptance of project.

- Bond must be in an amount equal to 100% of the contract price.
- Federal Projects in Indiana--see section on MILLER ACT BOND CLAIMS

IOWA

PRIVATE PROJECTS

MECHANIC'S LIEN Iowa Code Ch. § 572 et seq.

File PRELIMINARY NOTICE within 30 days of first furnishing.

File MECHANIC'S LIEN within 90 days of last furnishing.

File SUIT to enforce Lien within 2 years and 90 days after last furnishing.

- Missing the 90-day deadline may not be fatal. The Iowa statute provides a "late" Lien is enforceable if the owner still owes the general contractor funds at the time the Lien is filed.
- Direct-Lien State if Notice and Lien timely filed.

PUBLIC PROJECTS

BOND CLAIM Iowa Code Ch. § 573 et seq.

File PRELIMINARY NOTICE within 30 days from last furnishing.

File BOND CLAIM within 30 days from completion and acceptance of the project.

File SUIT to enforce Bond Claim within 60 days from completion and acceptance of the project.

- Suit deadline can be shortened to **30 days** from date claimant receives Notice to Commence Suit.
- A Bond Claim also traps retainage funds held by the public entity.
- Federal Projects in Iowa--see section on MILLER ACT BOND CLAIMS

KANSAS

PRIVATE PROJECTS

MECHANIC'S LIEN Kan. Stat. Ann. § 60-1101 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File MECHANIC'S LIEN within 3 months from last furnishing.

File SUIT to enforce Lien within 1 year from lien filing.

- May be Direct or Limited-Lien State, depending on the circumstances.
- Liens on residential property require **a warning statement** and a **notice of intent** to be given prior to filing.

PUBLIC PROJECTS

BOND CLAIM Kan. Stat. Ann. § 60-1111 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File BOND CLAIM within **90 days** of last furnishing.* On state highway projects, BOND CLAIM must be filed within **6 months** of completion of the project.

File SUIT to enforce Bond Claim within **6 months** of completion of the project. On state highway projects, must be filed within **1 year** of completion of the project.

- On projects in excess of \$100,000, a bond in at least the amount of the contract is required.
- *A claimant need not give any notice before filing suit, unless the bond requires it. Payment Bonds typically require **90 days** notice of a claim.
- Federal Projects in Kansas--see section on MILLER ACT BOND CLAIMS

KENTUCKY

PRIVATE PROJECTS

MECHANIC'S LIEN Ky. Rev. State. Ann. § 376.010 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File NOTICE OF INTENT within 120 days of last furnishing.

File MECHANIC'S LIEN within 6 months of last furnishing.

File SUIT to enforce Lien within 12 months from date Lien was filed.

- On residential projects, Notice of Intent must be given within **75 days** of last furnishing.
- Limited-Lien State.

PUBLIC PROJECTS

BOND CLAIM Ky. Rev. Stat. Ann. § 45A.005 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File BOND CLAIM within 90 days from last furnishing.

File SUIT to enforce Bond Claim within 1 year from last furnishing.

- Kentucky's Bond statute does not address the issue of notice; however, notice provisions in the Bond will be enforced.
- A Public Contract Lien does exist by statute, but is rarely used because compliance is overly burdensome.
- Federal Projects in Kentucky--see section on MILLER ACT BOND CLAIMS

LOUISIANA

PRIVATE PROJECTS

MECHANIC'S LIEN La. Rev. Stat. Ann. § 9:4801 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File NOTICE OF INTENT within **75 days** of the last day of the month in which material was delivered.

File MECHANIC'S LIEN within **30 days** after filing of Notice of Acceptance by owner or within **60 days** of completion of project if no Notice of Contract was filed.

File SUIT to enforce Lien 1 year from date Lien filed.

- A Notice of Intent should be given for <u>each</u> month in which material was delivered.
- A lessor of moveables must deliver a copy of the lease to the owner and contractor within **10 days** of first furnishing.
- A Notice of Contract should be filed by the general contractor before work begins. If a Notice of Contract is not filed, Lien period is **60 days** from completion of the work.
- Direct-Lien State.

PUBLIC PROJECTS

BOND CLAIM La. Rev. Stat. Ann § 38:2241 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File NOTICE OF INTENT within 75 days of the last day of each month of furnishing.

File BOND CLAIM within 45 days after acceptance of the project by the public entity.

File SUIT to enforce Bond Claim within 1 year from acceptance of the project.

- The Bond Claim must also be filed in the Office of the Recorder of Mortgages for the parish.
- Projects in excess of \$25,000 require bonds.
- Federal Projects in Louisiana--see section on MILLER ACT BOND CLAIMS

MAINE

PRIVATE PROJECTS

MECHANIC'S LIEN Me. Rev. Stat. Ann. tit. 10 § 3251 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File MECHANIC'S LIEN within 90 days from last furnishing.

File SUIT to enforce Lien within 120 days from last furnishing.

- On residential property, notice must be given to the owner prior to payment to the contractor to avoid the defense of payment.
- A claimant may obtain priority over a bona fide purchaser of the property by recording a Notice of Intent at the beginning of the job. This notice must be renewed every **120 days**.
- Limited-Lien State.

PUBLIC PROJECTS

BOND CLAIM Me. Rev. Stat. Ann. tit. 14 § 871 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File BOND CLAIM within 90 days from last furnishing.

File SUIT to enforce Bond Claim within 1 year after last furnishing.

- Projects over \$100,000 require bonds.
- Federal Projects in Maine--see section on MILLER ACT BOND CLAIMS

MARYLAND

PRIVATE PROJECTS

MECHANIC'S LIEN Md. Code Ann., Real Prop. § 9-101 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File NOTICE OF INTENT within 120 days of last furnishing.

File MECHANIC'S LIEN AND SUIT to enforce Lien within **180 days** of last furnishing. Filing a Lien requires filing a petition in court.

- For repairs to existing structures, the improvement must equal at least 15% of the structure's value for there to be Lien rights.
- For owner-occupied single family dwellings, the lien of a subcontractor shall not exceed the amount owed by the owner on the contract at the time notice is given.
- Direct-Lien State.

PUBLIC PROJECTS

BOND CLAIM Md. Code Ann., State Fin. & Proc. § 17-101 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File BOND CLAIM within 90 days from last furnishing.

File SUIT to enforce Bond Claim within 1 year from acceptance of the project by the public entity.

- Projects in excess of \$100,000 require Payment Bonds.
- Federal Projects in Maryland--see section on MILLER ACT BOND CLAIMS

MASSACHUSETTS

PRIVATE PROJECTS

MECHANIC'S LIEN Mass. Gen. Laws, Ch. 254 ' 1 et seq.

File PRELIMINARY NOTICE (Notice of Identification) within 30 days of first furnishing.

File INTENT TO LIEN (*Notice of Contract*) within earliest of: (1) **60 days** from Notice of Completion, (2) **90 days** after Notice of Termination, (3) **90 days** after last furnishing by the general contractor or anyone claiming through him.

File MECHANIC'S LIEN (*Statement of Account*) within earliest of: (1) **90 days** after Notice of Completion, (2) **120 days** after Notice of Termination, (3) **120 days** after last furnishing by the general contractor or anyone claiming through him.

File SUIT to enforce Lien within **90 days** after recording Lien.

- If no Notice of Identification is sent, the Lien amount is limited to the amount owed by the general contractor to its subcontractor at the time the Lien is filed.
- Direct or Limited-Lien State, depending on whether Notice of Identification is sent.

PUBLIC PROJECTS

BOND CLAIM Mass. Gen. Laws, Ch. 149 ' 29 et seq.

PRELIMINARY NOTICE within **20 days** of approval of the order.*

File BOND CLAIM within **65 days** from last furnishing.

File SUIT to enforce Bond Claim within 1 year from last furnishing.

- Projects in excess of \$5,000 require Payment Bonds.
- Federal Projects in Massachusetts--see section on MILLER ACT BOND CLAIMS
- This Notice secures your rights for specially fabricated material that has not been delivered to or incorporated into the project. You may still have rights even if this Notice is not provided.

MICHIGAN

PRIVATE PROJECTS

MECHANIC'S LIEN M.C.L.A. § 570.1101 et seq.

File PRELIMINARY NOTICE within 20 days of first furnishing.

File MECHANIC'S LIEN within 90 days of last furnishing.

File SUIT to enforce Lien within 1 year of recording Lien.

- Property owner is required to record a Notice of Commencement prior to the commencement of the improvement.
- A late Preliminary Notice will give Lien rights for furnishings made after the notice is served.
- Direct-Lien state if notice requirements are met.

PUBLIC PROJECTS

BOND CLAIM M.C.L.A. § 129.201 et seq.

File PRELIMINARY NOTICE within 30 days of first furnishing.

File BOND CLAIM within 90 days of last furnishing.

File SUIT to enforce Bond Claim within 1 year of final payment to the principal contractor.

- Projects in excess of \$50,000 require Payment Bonds.
- The public unit must provide subcontractors with a certified copy of the Payment Bond upon request.
- Federal Projects in Michigan--see section on MILLER ACT BOND CLAIMS

MINNESOTA

PRIVATE PROJECTS

MECHANIC'S LIEN Minn. Stat. § 514.01 et seq.

File PRELIMINARY NOTICE within 45 days of first furnishing.

File MECHANIC'S LIEN within 120 days of last furnishing.

File SUIT to enforce Lien within 1 year from last furnishing.

- There are exceptions to the Preliminary Notice requirement. You may still have Lien rights if the notice has not been sent
- By Supreme Court opinion, the Lien law extends to subcontractors generally and their vendors, not just those who contract with the general contractor.
- Limited-Lien State.

PUBLIC PROJECTS

BOND CLAIM Minn. Stat. § 574.26 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File BOND CLAIM within 120 days of last furnishing.

File SUIT to enforce Bond Claim within 1 year from last furnishing.

- Projects in excess of \$75,000 require Payment Bonds.
- Payments received for labor and materials supplied to a public project must be applied to the account for that public project.
- Federal Projects in Minnesota--see section on MILLER ACT BOND CLAIMS

MISSISSIPPI

PRIVATE PROJECTS

MECHANIC'S LIEN Miss. Code Ann. § 85-7 et seq.

PRELIMINARY NOTICE required within 30 days of first furnishing.

File MECHANICS LIEN within **90 days** of last furnishing.

File SUIT to enforce Lien within 180 days from date Lien is filed.

- Direct Lien state if Preliminary Notice is properly and timely filed.
- If you are a subcontractor who performs any work in MS, you must be properly licensed to avail yourself to the new Lien law.

PUBLIC PROJECTS

BOND CLAIM Miss. Code Ann. § 31-5-51 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File BOND CLAIM within 90 days of last furnishing.

File SUIT to enforce Bond Claim within 1 year from last furnishing.

- Projects of \$25,000 or more require Payment Bonds. On projects less than \$25,000, the
 contractor can elect to take a lump-sum payment at completion of the project in lieu of
 posting a bond.
- Federal Projects in Mississippi--see section on MILLER ACT BOND CLAIMS.

MISSOURI

PRIVATE PROJECTS

MECHANIC'S LIEN Mo. Rev. Stat. § 429.010 et seg.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment. For equipment rental, PRELIMINARY NOTICE must be given within **5 business days** of first furnishing.

File MECHANIC'S LIEN within 6 months (60 days for equipment rental) of last furnishing. Must file Notice of Intent at least 10 days prior to filing Lien.

File SUIT to enforce Lien within 6 months of Lien filing.

- Parties who contract directly with the owner must furnish a disclosure statement to the owner either (1) when the contract is executed, (2) when the material is delivered, (3) when the work is commenced, or (4) delivered with the first invoice.
- Subcontractors have no lien rights for repairs, remodeling, or additions to existing residential property, unless the owner gives written consent.
- Direct-Lien State.

PUBLIC PROJECTS

BOND CLAIM Mo. Rev. Stat. § 107.170 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File BOND CLAIM within time 90 days from last furnishing.

File SUIT to enforce Bond Claim within 10 years from last furnishing.

- Projects in excess of \$25,000 require Payment Bonds.
- Although state law does not provide a deadline, the terms of most Payment Bonds require filing Bond Claim within **90 days** of last furnishing.
- City of St. Louis ordinances require **90-day** Notice of Claim.
- Federal Projects in Missouri--see section on MILLER ACT BOND CLAIMS

MONTANA

PRIVATE PROJECTS

MECHANIC'S LIEN Mont. Code Ann. § 71-3-521 et seq.

File PRELIMINARY NOTICE within 20 days of first furnishing.

File MECHANIC'S LIEN within 90 days after last furnishing.

File SUIT to enforce Lien within 2 years from date of Lien filing.

- Late Preliminary Notice will cover furnishing made within 20 days prior to giving notice.
- A Lien cannot be filed before the claimant has substantially completed the contract.
- Direct-Lien State.

PUBLIC PROJECTS

BOND CLAIM Mont. Code Ann. § 18-2-201 et seq.

File PRELIMINARY NOTICE within 30 days of first furnishing.

File BOND CLAIM within 90 days after acceptance of the work by the public unit.

File SUIT to enforce Bond Claim as specified in Bond, e.g., within 1 year from last furnishing.

- Projects of \$50,000 or more require Payment Bonds. For school districts the requirement is \$7,500 or more.
- Federal Projects in Montana--see section on MILLER ACT BOND CLAIMS

NEBRASKA

PRIVATE PROJECTS

MECHANIC'S LIEN Neb. Rev. Stat. § 52-125 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File MECHANIC'S LIEN within 120 days of last furnishing.

File SUIT to enforce Lien within 2 years of recording Lien.

- Suit deadline can be shortened to **30 days** from date claimant receives Notice to Commence Suit.
- On residential real estate, a Notice of Right to Assert Lien should be given to preserve lien rights against future payments by the owner.
- Limited-Lien State.

PUBLIC PROJECTS

BOND CLAIM Neb. Rev. Stat. § 52-118 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File BOND CLAIM within 4 months of last furnishing.

File SUIT to enforce Bond Claim within 1 year of final settlement of principal contract.

- Projects in excess of \$15,000 require Payment Bonds. For cities, counties, or school districts the threshold is \$5,000 or more.
- Federal Projects in Nebraska--see section on MILLER ACT BOND CLAIMS

NEVADA

PRIVATE PROJECTS

MECHANIC'S LIEN Nev. Rev. Stat. § 108.221 et seq.

File PRELIMINARY NOTICE within 31 days from first furnishing.

File MECHANIC'S LIEN within **90 days** from last furnishing or **90 days** from completion of the improvement, whichever is later. However, if the Owner or General Contractor files a Notice of Completion, the Lien must be filed within **40 days** thereafter.

File SUIT to enforce Lien within 6 months of recording Lien.

- Under Nevada law, <u>every</u> person who provides labor or material to an improvement has Lien rights, regardless of remoteness.
- A late Preliminary Notice can still provide protection for materials furnished within preceding 31 days and thereafter.
- On residential projects, a **15 day** notice of intent is required before recording a lien.
- Direct-Lien State.

PUBLIC PROJECTS

BOND CLAIM Nev. Rev. Stat. § 339.025 et seq.

File PRELIMINARY NOTICE within 30 days from first furnishing.

File BOND CLAIM within 90 days from last furnishing.

File SUIT to enforce Bond Claim within 1 year from last furnishing.

- Projects in excess of \$100,000 require Payment Bonds.
- Federal Projects in Nevada--see section on MILLER ACT BOND CLAIMS

NEW HAMPSHIRE

PRIVATE PROJECTS

MECHANIC'S LIEN N.H. Rev. Stat. § 447:1 et seq.

File PRELIMINARY NOTICE **before** furnishing and provide a NOTICE OF ACCOUNT every **30 days** thereafter. (Although statute provides this burdensome requirement, it does not appear to be utilized on a regular basis). Many creditors simply provide one Notice once furnishing is completed.

File MECHANIC'S LIEN within **120 days** of last furnishing. Filing Lien in New Hampshire requires filing suit.

SUIT deadline is same as Lien deadline.

- Notice may be given after materials are furnished, but the Lien will be valid only as to sums due to the original contractor at that time.
- New Hampshire law does not require that the labor or materials be supplied pursuant to a
 written contract
- Suit must be filed and writ of attachment obtained to perfect lien.
- Limited-Lien State.

PUBLIC PROJECTS

BOND CLAIM N.H. Rev. Stat. § 447:16 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File BOND CLAIM within 90 days after entire project is completed and accepted.

File SUIT to enforce Bond Claim within 1 year after filing.

MUNICIPAL MECHANIC'S LIEN N.H. Rev. Stat. § 447:15 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File MECHANIC'S LIEN within 90 days of completion and acceptance of the entire project.

File SUIT to enforce Lien within 1 year after filing.

- Projects in excess of \$25,000 require Payment Bonds.
- Federal Projects in New Hampshire--see section on MILLER ACT BOND CLAIMS

NEW JERSEY

PRIVATE PROJECTS

MECHANIC'S LIEN N.J. Stat. Ann. § 2A:44-1 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment. Creditor has option of also filing a Notice of Unpaid Balance (NUB).

File MECHANIC'S LIEN within 90 days from last furnishing.

File SUIT to enforce Lien within 1 year from last furnishing.

- Although the NUB is available by statute, it is rarely used as a practical matter. Most creditors simply file a Lien within 90 days of last furnishing.
- A written contract is required for there to be Lien rights; a signed purchase order will usually suffice.
- Suit deadline can be shortened to **30 days** from date claimant receives Notice to Commence Suit.
- Limited-Lien State.

PUBLIC PROJECTS

BOND CLAIM N.J. Stat. Ann. § 2A:44-145 et seq.

File PRELIMINARY NOTICE prior to commencing work.

File BOND CLAIM within 1 year from last furnishing.

File SUIT to enforce Bond Claim within 1 year from last furnishing.

- Late Notice will only protect materials provided after service of notice.
- Suit on bond cannot be filed until 90 days after Bond Claim is served.

MUNICIPAL MECHANIC'S LIEN N.J. Stat. Ann. § 2:44-126 et seq.

File PRELIMINARY NOTICE within 20 days from first furnishing.

File MECHANIC'S LIEN within 60 days of completion and acceptance of the entire project.

File SUIT to enforce Lien within 60 days of completion and acceptance of the entire project.

- Late Notice will only protect materials provided after such Notice.
- Federal Projects in New Jersey--see section on MILLER ACT BOND CLAIMS

NEW MEXICO

PRIVATE PROJECTS

MECHANIC'S LIEN N.M. Stat. Ann. § 48-2-1 et seq.

File PRELIMINARY NOTICE within 60 days of first furnishing.

File MECHANIC'S LIEN within 90 days after completion of the improvement.

File SUIT to enforce Lien within 2 years from date of filing Lien.

- Preliminary Notice is not required for claims of \$5,000 or less.
- Late Preliminary Notice will cover furnishings made 30 days prior to such notice and thereafter.
- Direct-Lien State.

PUBLIC PROJECTS

BOND CLAIM N.M. Stat. Ann. §13-4-18 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File BOND CLAIM within 90 days from last furnishing.

File SUIT to enforce Bond Claim within 1 year after final settlement of public contract.

Federal Projects in New Mexico--see section on MILLER ACT BOND CLAIMS

NEW YORK

PRIVATE PROJECTS

MECHANIC'S LIEN N.Y. Lien Law § 2 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File MECHANIC'S LIEN within **8 months** of last furnishing. However, we strongly recommend filing the Lien within **90 days** to induce payment and because New York is a Limited-Lien state.

File SUIT to enforce Lien within 1 year from date of filing the Lien.

- Lien deadline is **4 months** from last furnishing for improvements to a single-family dwelling.
- The Lien may be extended for 1 year.
- Limited-Lien State.

PUBLIC PROJECTS

BOND CLAIM N.Y. State Fin. Law § 137 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File BOND CLAIM within 120 days of last furnishing.

File SUIT to enforce Bond Claim within 1 year from last furnishing.

PUBLIC IMPROVEMENT LIEN N.Y. Lien Law § 5 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File PUBLIC IMPROVEMENT LIEN within **30 days** of completion and acceptance by the public authority.

File SUIT to enforce Lien within 1 year of filing Lien.

- The Lien may be extended for 1 year.
- Federal Projects in New York--see section on MILLER ACT BOND CLAIMS

NORTH CAROLINA

PRIVATE PROJECTS

MECHANIC'S LIEN (CLAIM OF LIEN & LIEN ON FUNDS) N.C. Gen. Stat. § 44A-7 et seq.

PRELIMINARY NOTICE (Notice to Lien Agent) within 15 days of first furnishing.

PRELIMINARY NOTICE (*Notice of Subcontract*) should be filed as early as possible, either **before** first furnishing or shortly thereafter.

File MECHANIC'S LIEN (*Claim of Lien*) within **120 days** of last furnishing. Statute also allows for filing a Lien on Funds.

File SUIT to enforce Lien within 180 days of last furnishing.

- Notice to Lien Agent required if estimated cost of project is more than \$30,000. The
 owner is required to provide you with the lien agent's contact information within 7 days of
 receiving your written request.
- The general contractor can defeat second-tier and third-tier subcontractors' Lien rights by filing a Notice of Contract and by giving notice to lower-tier subcontractors within 5 days of payment. This procedure arose in response to the court decision in *Electric Supply Co. v. Swain Elec. Co.*
- A party who receives a Notice of Lien on Funds must withhold further payment or face personal liability to the lien claimant for the amount paid after notice.
- If General Contractors or Subcontractors provide False Lien Waivers, this may be punishable as a criminal misdemeanor, as well as subject the perpetrator to suspension of their license.
- Limited-Lien State.

PUBLIC PROJECTS

BOND CLAIM N.C. Gen. Stat. § 44A-25 et seq.

PRELIMINARY NOTICE (*Notice of Public Subcontract*) required within **75 days** of first furnishing (but recommended within **30 days** of first furnishing).

File BOND CLAIM within 120 days of last furnishing.

File SUIT to enforce Bond Claim within **1 year** of last furnishing or **1 year** from final settlement with general contractor, whichever is later.

NORTH CAROLINA (cont'd)

- Preliminary Notice required on all Public projects more than \$20,000.
- General Contractor must furnish Project Statement and copy of Bond to Subcontractors and Suppliers within 7 days of written request.
- Federal Projects in North Carolina--see section on MILLER ACT BOND CLAIMS

NORTH DAKOTA

PRIVATE PROJECTS

MECHANIC'S LIEN N.D. Cent. Code Ch. 35-27 et seg.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File MECHANIC'S LIEN within **90 days** of last furnishing. However, must file Notice of Intent **10 days** prior to filing Lien.

File SUIT to enforce Lien within 3 years after filing Lien.

- Notice must be served on the owner **20 days** before filing suit on the Lien.
- Direct-Lien State.

PUBLIC PROJECTS

BOND CLAIM N.D. Cent. Code Ch. 48-01 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File BOND CLAIM within 90 days from last furnishing.

File SUIT to enforce Bond Claim within 1 year of completion and acceptance of project.

• Federal Projects in North Dakota--see section on MILLER ACT BOND CLAIMS

OHIO

PRIVATE PROJECTS

MECHANIC'S LIEN Ohio Rev. Code Ann. § 1311.01 et seq.

File PRELIMINARY NOTICE (Notice of Furnishing) within 21 days after first furnishing.

File MECHANIC'S LIEN within **75 days** of last furnishing; **60 days** for single- or double-family dwelling.

File SUIT to enforce Lien within 6 years of filing Lien.

- If owner/general contractor fails to file Notice of Commencement or timely respond to request for same, the Preliminary Notice may not required.
- A late Preliminary Notice will protect furnishings made 21 days prior to the Notice and thereafter. Preliminary Notice not required on Home Construction Contract.
- Suit deadline can be shortened to **60 days** from date claimant receives Notice to Commence Suit.
- Direct-Lien State.

PUBLIC PROJECTS

BOND CLAIM Ohio Rev. Code Ann. § 153.50 et seq.

File PRELIMINARY NOTICE within 21 days of first furnishing.

File BOND CLAIM within **90 days** of acceptance by the public entity.

File SUIT to enforce Bond Claim within 1 year of acceptance by the public entity.

- Same Notice of Commencement/ Notice of Furnishing provisions as in Private Projects.
- Suit on the Bond cannot be filed until 60 days after the Bond Claim has been filed.

PUBLIC IMPROVEMENT LIEN Ohio Rev. Code Ann. § 1311.25 et seq.

File PRELIMINARY NOTICE within 21 days of first furnishing.

File LIEN within 120 days of last furnishing.

File SUIT to enforce PUBLIC IMPROVEMENT LIEN within 1 year from date of filing Lien.

- Suit deadline can be shortened to **60 days** from date claimant receives Notice to Commence Suit.
- Federal Projects in Ohio--see section on MILLER ACT BOND CLAIMS

OKLAHOMA

PRIVATE PROJECTS

MECHANIC'S LIEN Okla. Stat. Tit. 42 § 141 et seg.

File PRELIMINARY NOTICE within 75 days of first furnishing.

File MECHANIC'S LIEN within **90 days** from last furnishing, if Material Supplier or Subcontractor. File MECHANIC'S LIEN within **4 months** of last furnishing if contracting directly with owner.

File SUIT to enforce Lien within 1 year from filing of Lien.

- A Notice to Owner must be given prior to furnishing to perfect a lien against an owner-occupied dwelling. No preliminary notice is required on residential projects.
- Equipment lessors must file a Preliminary Notice within **5 days** of first furnishing; a Notice of Intent also must be filed at least **60 days** before lien filing.
- Limited-Lien State.

PUBLIC PROJECTS

BOND CLAIM Okla. Stat. Tit. 61 § 1 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File BOND CLAIM within 90 days of last furnishing.

File SUIT to enforce Bond Claim within 1 year of last furnishing.

- A party may have an enforceable Bond Claim, regardless of what tier it occupies in the construction chain.
- Federal Projects in Oklahoma--see section on MILLER ACT BOND CLAIMS

OREGON

PRIVATE PROJECTS

MECHANIC'S LIEN Or. Rev. Stat. § 87.001 et seq.

File PRELIMINARY NOTICE within 8 days from first furnishing.

File MECHANIC'S LIEN within 75 days from last furnishing or 75 days of completion of construction, whichever comes first.

File SUIT to enforce Lien within 120 days after filing lien. Notice of Intent must be filed 10 days prior to filing suit.

- A late Preliminary Notice protects furnishings made within 8 days prior to notice and thereafter.
- Direct-Lien State.

PUBLIC PROJECTS

BOND CLAIM Or. Rev. Stat. § 279C.600 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File BOND CLAIM within 180 days of last furnishing.

File SUIT to enforce Bond Claim within 2 years of last furnishing.

- A party may have an enforceable Bond Claim, regardless of what tier it occupies in the construction chain.
- Federal Projects in Oregon--see section on MILLER ACT BOND CLAIMS

PENNSYLVANIA

PRIVATE PROJECTS

MECHANIC'S LIEN 49 Pa. Stat. ' 1101 et seg.

PRELIMINARY NOTICE required within 45 days of first furnishing.

File NOTICE OF INTENT at least 30 days prior to lien filing.

File MECHANIC=S LIEN within 6 months of last furnishing.

File SUIT to enforce Lien within 2 years form date of Lien filing.

- \$ Lien rights extend to contractors, subcontractors, and those who contract with a subcontractor in direct privity with a contractor.
- No-lien contracts are unenforceable on non-residential projects unless a payment bond has been posted.
- S Direct-Lien State.

PUBLIC PROJECTS

BOND CLAIM 62 Pa. Cons. Stat. ' 101 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File BOND CLAIM within 90 days of last furnishing.

File SUIT to enforce Bond Claim within 1 year after cause of action accrues.

- No suit can be filed until 90 days after last furnishing. This is the date when the cause of action accrues.
- \$ Federal Projects in Pennsylvania--see section on MILLER ACT BOND CLAIMS.

RHODE ISLAND

PRIVATE PROJECTS

MECHANIC'S LIEN R.I. Gen. Laws Tit. 34 Ch. 28 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File MECHANIC'S LIEN (*Notice of Intention*) within **200 days** from last furnishing.

File SUIT to enforce Lien within 40 days of filing Lien.

- The Lien covers the value of work or materials furnished during the 200-day period prior to filing the lien and thereafter.
- Direct-Lien State.

PUBLIC PROJECTS

BOND CLAIM R.I. Gen. Laws Tit. 37 Chs. 12 & 13 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File BOND CLAIM within 90 days of last furnishing.

File SUIT to enforce Bond Claim within 2 years after last furnishing.

- A supplemental remedy may allow pursuit of Bond Claims without compliance with the 90-day notice provision.
- Federal Projects in Rhode Island--see section on MILLER ACT BOND CLAIMS

SOUTH CAROLINA

PRIVATE PROJECTS

MECHANIC'S LIEN S.C. Code Ann. § 29-5-10 et seq.

PRELIMINARY NOTICE may be given at any time, but recommended within **30 days** of first furnishing to encourage timely payment and fully protect lien rights.

File MECHANIC'S LIEN within 90 days from last furnishing.

File SUIT to enforce Lien within 6 months from last furnishing.

- Until Preliminary Notice is filed, payments made to a subcontractor provide a defense to the general contractor on a Mechanic's Lien claim.
- South Carolina courts hold that an award of attorney fees and costs by the prevailing party is mandatory in a suit to enforce a Lien.
- Limited-Lien State

PUBLIC PROJECTS

BOND CLAIM S.C. Code Ann. § 11-35-10 et seq.

PRELIMINARY NOTICE may be given at any time, but recommended within **30 days** of first furnishing to encourage timely payment and fully protect bond rights.

File BOND CLAIM within **90 days** of last furnishing.

File SUIT to enforce Bond Claim within 1 year of last furnishing.

- Until Preliminary Notice is filed, payments made to a subcontractor provide a defense to the general contractor on a Payment Bond claim.
- Sureties are required to investigate and pay valid claims.
- Federal Projects in South Carolina--see section on MILLER ACT BOND CLAIMS

SOUTH DAKOTA

PRIVATE PROJECTS

MECHANIC'S LIEN S.D. Codified Laws Ch. 44-9 et seq.

PRELIMINARY NOTICE may be given at any time, but recommended within **30 days** of first furnishing to encourage timely payment and fully protect lien rights.

File NOTICE OF INTENT within **60 days** of last furnishing.

File MECHANIC'S LIEN within 120 days of last furnishing.

File SUIT to enforce Lien within 6 years after last furnishing.

- Serving a Notice to Owner traps funds due to general contractor at the time of the notice.
- Direct-Lien State.

PUBLIC PROJECTS

BOND CLAIM S.D. Codified Laws ' 5-21-1 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File BOND CLAIM within **90 days** of last furnishing.

File SUIT within 1 year from completion and final settlement of the public contract.

- Although state law does not provide a deadline, the terms of most Payment Bonds require filing Bond Claim within **90 days** of last furnishing.
- Suit can be filed against public entity which fails to require a Payment Bond; action must be brought within **90 days** of acceptance of the public work.
- Federal Projects in South Dakota--see Section on MILLER ACT BOND CLAIMS

PUBLIC IMROVEMENT LIEN S.D. Codified Laws Ch. 5-22

File PUBLIC IMROVEMENT LIEN within 20 days of first furnishing.

File SUIT within 30 days from acceptance of the public work.

- A lien may be effective if filed beyond the 20 day period, but only up to the amount unpaid on the public contract.
- Federal Projects in South Dakota see Section on MILLER ACT BOND CLAIMS

TENNESSEE

PRIVATE PROJECTS

MECHANIC'S LIEN Tenn. Code Ann. § 66-11-101 et seg.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File NOTICE OF INTENT within **90 days** of the last day of each month in which materials/labor were provided.

File MECHANIC'S LIEN within **90 days** of completion of improvement or **90 days** from last furnishing. Mechanic's Lien deadline shortens with Notice of Completion to 30 days if not a 1-4 family residence or 10 days if 1-4 family residence.

File SUIT to enforce Lien within 90 days of Lien filing.

- Notice of Intent must be given to cover <u>each</u> month in which materials/labor are provided. Thus, this may be a "continuous-notice" state.
- Liens on 1-4 family residences are only available if your contract is direct with the project owner.
- Limited-Lien State.

PUBLIC PROJECTS

BOND CLAIM Tenn. Code Ann. § 12-4-201 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File BOND CLAIM within 90 days from last furnishing.

File SUIT to enforce Bond Claim within **6 months** after (1) completion of the public work, or (2) completion of claimant's furnishing.

- Claimant can pursue suit on bond and file claim with State of Tennessee against retainages.
- Federal Projects in Tennessee--see section on MILLER ACT BOND CLAIMS

TEXAS

PRIVATE PROJECTS

MECHANIC'S LIEN Tex. Prop. Code Ch. 53 et seq.

File PRELIMINARY NOTICE by **15th day** of the **3rd month** following <u>each</u> month's furnishing. Thus, multiple notices may be required.

File MECHANIC'S LIEN by **15th day** of the **4th month** after materials/labor were last furnished. On residential construction projects, the lien must be filed **15th day** of the **3rd month** after materials/labor were last furnished.

File SUIT to enforce Lien within 2 years from lien filing deadline or within 1 year after completion of the original contract under which lien is claimed, whichever is later.

- It is not a bad idea to still go with 15th day of the 2nd month for private projects for two reasons: 1) It helps to "grease the skids" and motivate payment and 2) Some projects seem to be part public and part private and so this would eliminate any risk of a late notice.
- Preliminary Notice can also trap funds owing to general contractor by owner.
- Contractually agreed retainage is considered an unpaid amount for the purposes of the statute and must be noticed in the same manner as amounts due and unpaid unless notice of a retainage agreement is provided to the owner in the early stages of the project.
- Owner or contractor can post bond which will relieve property from Liens. Following the Lien filing procedures will perfect a claim on such bond.
- Direct-Lien State.

PUBLIC PROJECTS

BOND CLAIM Tex. Gov. Code Art. 2253 et seq.

File PRELIMINARY NOTICE by the **15th day** of the **2nd month** following <u>each</u> month's furnishing. Thus, multiple notices may be required.

File BOND CLAIM by the **15th day** of the **3rd month** following <u>each</u> month's furnishing. Thus, multiple notices may be required.

File SUIT within 1 year after the filing of a claim.

Federal Projects in Texas--see section on MILLER ACT BOND CLAIMS

UTAH

PRIVATE PROJECTS

CONSTRUCTION LIEN Utah Code Ann. § 38-1a-102 et seq.

File PRELIMINARY NOTICE within 20 Days from first furnishing.

File MECHANIC'S LIEN within **90 days** from last furnishing <u>or</u> completion of the general contract.

File SUIT to enforce Lien within 180 days from the filing of the lien.

- Late Preliminary Notice becomes effective 5 days after it is filed, for materials furnished thereafter.
- Utah law requires bonds on private projects subject to the same notice provisions applicable to Mechanic's Liens.
- Limited-Lien State.

PUBLIC PROJECTS

BOND CLAIM Utah Code Ann. § 14-1-18 et seq.

File PRELIMINARY NOTICE within the later of **20 days** after the filing of a Notice of Commencement or **20 days** after first furnishing.

File BOND CLAIM within 90 days from last furnishing.

File SUIT to enforce Bond Claim within 1 year after last furnishing.

- Late Preliminary Notice becomes effective 5 days after it is filed, for materials furnished thereafter
- Although state law does not provide a deadline, the terms of most Payment Bonds require filing Bond Claim within **90 days** of last furnishing.
- Federal Projects in Utah--see section on MILLER ACT BOND CLAIMS

VERMONT

PRIVATE PROJECTS

MECHANIC'S LIEN Vt. Stat. Ann. Tit. 9 § 1921 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File MECHANIC'S LIEN within 180 days from last furnishing.

File SUIT to enforce Lien with **180 days** of filing Lien, or **180 days** from date payment due, whichever is later.

- A Notice of Intent may be provided at any time, and will establish the amount of funds available to the claimant as of the date of notice.
- Limited-Lien State.

PUBLIC PROJECTS

BOND CLAIM Vt. Stat. Ann. Tit. 19 § 10 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File BOND CLAIM within 90 days after final acceptance of the project.

File SUIT to enforce Bond Claim within 1 year of filing claim.

- Bonds are required by law <u>only</u> for Agency of Transportation contracts. However, most public agencies require contractors to post Payment Bonds.
- Federal Projects in Vermont--see section on MILLER ACT BOND CLAIMS

VIRGINIA

PRIVATE PROJECTS

MECHANIC'S LIEN Va. Code Ann. § 43-1 et seq.

PRELIMINARY NOTICE may be given at any time, but recommended within **30 days** of first furnishing to encourage timely payment and fully protect lien rights.

NOTICE OF INTENTION may be given no later than 30 days after completion of the project.

File MECHANIC'S LIEN within **90 days** from the last day of the month in which last furnishing occurred but not later than **90 days** from completion of the project.

File SUIT to enforce Lien within 6 months from filing Lien or 60 days from completion of the project, whichever is later.

- Statute attaches personal liability on owner and general contractor if the above two notices are given. Liability is limited to the unpaid balance. Frequently a "Non-statutory" notice is given in lieu of these more formal statutory notices.
- On residential projects, a preliminary notice within **30 days** of first furnishing may be required.
- There is a **150-day** "reach-back" provision, i.e., you cannot include sums due for material/labor furnished more than **150 days** prior to the lien date, except for 10% retainage.
- Limited-Lien State.

PUBLIC PROJECTS

BOND CLAIM Va. Code Ann. § 2.2-4341 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File BOND CLAIM within 90 days from last furnishing.

File SUIT to enforce Bond Claim within 1 year from last furnishing.

- Virginia law requires payment bonds to be posted for projects exceeding \$500,000.
- Claimant must wait **90 days** from last furnishing before filing suit.
- Federal Projects in Virginia--see section on MILLER ACT BOND CLAIMS

WASHINGTON

PRIVATE PROJECTS

MECHANIC'S LIEN Wash. Rev. Code Ch. 60.04 et seq.

File PRELIMINARY NOTICE within **60 days** (**10 days** on residential projects) from first furnishing.

File MECHANIC'S LIEN within 90 days from last furnishing.

File SUIT to enforce Lien within **8 months** of recording the Lien.

- Preliminary notices reach back 60 days (10 days on residential projects) so a late notice can still be effective.
- Attorney fees and costs are awarded to the prevailing party in a Lien suit.
- Direct-Lien State.

PUBLIC PROJECTS

BOND CLAIM Wash. Rev. Code Ch. 39.08 et seq.

File PRELIMINARY NOTICE within 10 days from first furnishing.

File BOND CLAIM within 30 days of completion and acceptance of the project.

File SUIT to enforce Bond Claim within 4 months of filing claim.

• Washington law requires public bodies to retain 5% of progress payments.

PUBLIC IMPROVEMENT LIEN Wash. Rev. Code Ch. 60.28 et seq.

File PRELIMINARY NOTICE within 60 days from first furnishing.

File PUBLIC IMPROVEMENT LIEN within 45 days after completion of the original contract.

File SUIT to enforce Public Improvement Lien within 4 months of filing claim.

• Federal Projects in Washington--see section on MILLER ACT BOND CLAIMS

WEST VIRGINIA

PRIVATE PROJECTS

MECHANIC'S LIEN W. Va. Code § 38-2-1 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File INTENT TO LIEN within 100 days of last furnishing.

File MECHANIC'S LIEN within 100 days from last furnishing.

File SUIT to enforce Lien within 6 months after Lien is filed.

- Owner may demand itemized statement of materials/labor furnished. Lien claimant must respond within **10 days** or Lien is forfeited.
- Limited-Lien State.

PUBLIC PROJECTS

BOND CLAIM W. Va. Code § 38-2-1 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File BOND CLAIM within 90 days from last furnishing.

File SUIT to enforce Bond Claim within 1 year from last furnishing.

- Although state law does not provide a deadline, the terms of most Payment Bonds require filing Bond Claim within **90 days** of last furnishing.
- Federal Projects in West Virginia--see section on MILLER ACT BOND CLAIMS

WISCONSIN

PRIVATE PROJECTS

MECHANIC'S LIEN Wis. Stat. § 779.01 et seq.

File PRELIMINARY NOTICE within 60 days from first furnishing.

File NOTICE OF INTENT within 5 months of last furnishing.

File MECHANIC'S LIEN within 6 months from last furnishing.

File SUIT to enforce Lien within 2 years of Lien filing.

- There is a 30-day waiting period between filing the Notice of Intent and the Lien.
- Direct-Lien State

PUBLIC PROJECTS

BOND CLAIM Wis. Stat. § 779.1 et seq.

File PRELIMINARY NOTICE within 60 days from first furnishing.

File BOND CLAIM within 90 days from last furnishing.

File SUIT within 1 year from completion of job.

• Although state law does not provide a deadline, the terms of most Payment Bonds require filing Bond Claim within **90 days** of last furnishing.

LIEN ON UNPAID PUBLIC FUNDS Wis. Stat. § 779.15 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File LIEN before owner pays funds to prime contractor.

File SUIT within **3 months** of filing Lien.

- City of Milwaukee requires filing claim within **20 days** of last furnishing.
- Federal Projects in Wisconsin--see section on MILLER ACT BOND CLAIMS

WYOMING

PRIVATE PROJECTS

MECHANIC'S LIEN Wyo. Stat. Ann. §29-1-201 et seq.

File PRELIMINARY NOTICE within 30 days from first furnishing.

File MECHANIC'S LIEN within 90 days from last furnishing. Notice of Intent must be filed 10 days prior to filing Lien.

File SUIT to enforce Lien within 180 days from Lien filing.

- On residential projects, an additional notice is required within **30 days** from first furnishing.
- Foreclosure is allowed on a leasehold interest.
- Direct-Lien state.

PUBLIC PROJECTS

BOND CLAIM Wyo. Stat. Ann. §16-6-112 et seq.

File PRELIMINARY NOTICE within 60 days from first furnishing.

File BOND CLAIM within 90 days from last furnishing.

File SUIT to enforce Bond Claim within 1 year of final payment on the original contract.

- Although state law does not provide a deadline, the terms of most Payment Bonds require filing Bond Claim within **90 days** of last furnishing.
- Federal Projects in Wyoming--see section on MILLER ACT BOND CLAIMS

MILLER ACT BOND CLAIMS

FEDERAL PROJECTS

BOND CLAIM 40 U.S.C. § 270a et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File BOND CLAIM within 90 days from last furnishing

File SUIT to enforce Bond Claim within 1 year from last furnishing.

- Payment bonds are required for all Federal construction projects regardless of the prime contract's value.
- The payment bond amount must be equal to the total amount payable under the prime contract's terms.
- If furnishing to the General Contractor, 90-day notice requirement may be waived.

ALBERTA

MECHANIC'S LIEN RSA BUILDERS' LIEN ACT Chapter B -7

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File MECHANIC'S LIEN within 45 days of last furnishing.

File SUIT to enforce Lien within 180 days from the date the Lien is filed.

BRITISH COLUMBIA

MECHANIC'S LIEN SBC Ch. 45 Builders Lien Act

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File MECHANIC'S LIEN within 45 days of completion of project.

File SUIT to enforce Lien within 1 year from the date the Lien is filed.

MANITOBA

MECHANIC'S LIEN CCSM Builders' Liens Act c. B91

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File MECHANIC'S LIEN within 40 days of last furnishing.

File SUIT to enforce Lien within 2 years from the date the Lien is filed.

NEW BRUNSWICK

MECHANIC'S LIEN NB Acts Ch. M-6

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File MECHANIC'S LIEN within 60 days of last furnishing.

File SUIT to enforce Lien within 90 days from the date the Lien is filed.

NEWFOUNDLAND

MECHANIC'S LIEN RSNL1990 CHAPTER M-3

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File MECHANIC'S LIEN within 30 days of last furnishing.

File SUIT to enforce Lien within 90 days from last furnishing.

NORTHWEST TERRITORIES

MECHANIC'S LIEN R.S.N.W.T. 1988, c. M-7

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File MECHANIC'S LIEN within 45 days of last furnishing.

File SUIT to enforce Lien within 90 days from last furnishing.

NOVA SCOTIA

MECHANIC'S LIEN R.S., c. 277, s. 1 et seq.

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File MECHANIC'S LIEN within 60 days of last furnishing.

File SUIT to enforce Lien within 105 days from last furnishing.

• Canada's Lien Laws, unlike those in the United States, permit Liens to be filed against Crown (public) property. The same basic deadlines and procedures apply to Liens against Crown property. Payment bonds are not required by law, although they are commonly required by the contracting parties. If a bond exists, the terms of the bond regarding notice and suit deadlines will govern.

ONTARIO

MECHANIC'S LIEN R.S.O. 1990, CHAPTER C.30

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File MECHANIC'S LIEN within 60 days from last furnishing.

File SUIT to enforce Lien within **90 days** from the last date a lien could have been filed. (Essentially, **150 days** from last furnishing)

- Canada's Lien Laws, unlike those in the United States, permit Liens to be filed against Crown (public) property. The same basic deadlines and procedures apply to Liens against Crown property.
- Payment Bonds are now required on public projects (as of July 2018). See terms of Bond for filing requirements.
- Beginning next year, new Prompt-Payment provisions have been made to the Construction Lien Act of Ontario which will allow a supplier or subcontractor to charge their customer interest if not timely paid.

PRINCE EDWARD ISLAND

MECHANIC'S LIEN R.S.P.E.I. 1988, M-4

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File MECHANIC'S LIEN within 60 days of last furnishing.

File SUIT to enforce Lien within 90 days from filing of mechanic's lien.

• Canada's Lien Laws, unlike those in the United States, permit Liens to be filed against Crown (public) property. The same basic deadlines and procedures apply to Liens against Crown property. Payment bonds are not required by law, although they are commonly required by the contracting parties. If a bond exists, the terms of the bond regarding notice and suit deadlines will govern.

QUEBEC

MECHANIC'S LIEN (HYPOTHEQUE)

Civil Code of Quebec, Section 2724

File PRELIMINARY NOTICE before first furnishing.

File MECHANIC'S LIEN within **30 days** from completion of work.

File SUIT to enforce Lien within 6 months from completion of work.

- For those who do not contract with the owner, lien is limited to work done after notice to owner.
- Canada's Lien Laws, unlike those in the United States, permit Liens to be filed against Crown (public) property. The same basic deadlines and procedures apply to Liens against Crown property. Payment bonds are not required by law, although they are commonly required by the contracting parties. If a bond exists, the terms of the bond regarding notice and suit deadlines will govern.

SASKATCHEWAN

MECHANIC'S LIEN Statutes of Saskatchewan Chapter B-7.1

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File MECHANIC'S LIEN within 40 days of last furnishing.

File SUIT to enforce Lien within 180 days from the date the Lien is filed.

• Canada's Lien Laws, unlike those in the United States, permit Liens to be filed against Crown (public) property. The same basic deadlines and procedures apply to Liens against Crown property. Payment bonds are not required by law, although they are commonly required by the contracting parties. If a bond exists, the terms of the bond regarding notice and suit deadlines will govern.

PUERTO RICO

PRIVATE PROJECTS

BOND CLAIM P.R. Laws Ann. Tit. 29 §195

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File BOND CLAIM within **90 days** of last furnishing.

File SUIT to enforce Bond Claim within 1 year from last furnishing.

- There is no right to a Mechanic's Lien in Puerto Rico.
- Suppliers and materialmen who contract directly with the prime contractor have a direct cause of action against the property owner for amounts owed, up to the amount owed by the property owner to the prime contractor.

PUBLIC PROJECTS

BOND CLAIM P.R. Laws Ann. Tit. 22 § 47

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File BOND CLAIM within 90 days of last furnishing.

File SUIT to enforce Bond Claim within 6 months from final acceptance.

Federal Projects in Puerto Rico--see section on MILLER ACT BOND CLAIMS

VIRGIN ISLANDS

PRIVATE PROJECTS

MECHANIC'S LIEN 28 V.I.C. CH. 12

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File MECHANIC'S LIEN 90 days from last furnishing.

File SUIT to enforce Lien 90 days from filing of lien.

PUBLIC PROJECTS

BOND CLAIM

PRELIMINARY NOTICE not required by statute but recommended within **30 days** of first furnishing to encourage timely payment.

File BOND CLAIM 90 days from last furnishing.

File SUIT to enforce Bond Claim 1 year from last furnishing.

• Federal Projects in Virgin Islands--see section on MILLER ACT BOND CLAIMS

GLOSSARY

- **BOND CLAIM** Written notice to the payment bond surety from a subcontractor, supplier or materialman, advising that the claimant has not been paid, and which perfects the claimant's right to sue on the bond.
- **BONDING-OFF LIEN** This refers to the filing of a surety bond as security in place of the property or contract funds against which the lien initially attaches. After a proper bond is filed, the lien is considered "discharged"; it will no longer act as a cloud on the title to the property nor will it continue to hold up further project payments. However, the lien is still enforceable against the contractor and the bond, and it may be foreclosed on by the lienor.
- **COMPLETION AND ACCEPTANCE** Date when project is substantially completed, such that it may be occupied for its intended use, and accepted by the owner as complete in accordance with the contract.
- **DIRECT LIEN** A mechanic's lien which is enforceable against the owner's real property, even if the owner has paid the contractor in full. It must be noted that all statutory notice and filing requirements must be strictly adhered to. Certain states may offer owners other defenses to double liability; this must be examined on a case-by-case basis.
- **ET SEQ** The abbreviation for the Latin phrase et sequentes meaning "and the following." It is commonly used by lawyers to include numbered lists, pages or sections after the first number is stated.
- **FEDERAL PROJECT** Construction, alteration or repair of any public building or public work of the United States.
- **FINAL SETTLEMENT** Payment by the owner of the remaining contract balance as adjusted by change orders.
- **FIRST FURNISHING** Date when labor or materials are first provided or delivered to the project.
- **GENERAL CONTRACTOR** One who contracts directly with the owner for construction of an improvement. Also referred to as *principal contractor*, *prime contractor*, *or original contractor*.
- **INTENT TO LIEN** Notice to the owner that a mechanics' lien is about to be filed against their property.
- **LAST FURNISHING** Date when labor or materials are last provided or delivered to the project.
- **LIEN ON FUNDS** A lien enforceable against unpaid project funds in the hands of the public entity which contracted for the construction project.

- **LIMITED LIEN** A lien enforceable against the owner's real property to the extent of the unpaid balance of contract funds due from the owner to the general contractor at the time notice of the lien is given. This lien may also be limited by the balance of funds due from the general contractor to the subcontractor.
- **MATERIALMAN** One who furnishes only materials for the improvement under the contract with the owner, and who performs no labor in their installation. Also referred to as *material supplier*.
- **MECHANIC'S LIEN** A right enforceable against the owner's real property improved by the labor and materials furnished under the construction contract, to secure payment. Also referred to as *construction lien*, *materialman's lien*, *affidavit of lien*, *or notice of lien*.
- MILLER ACT Federal statute requiring contractors to post payment bonds on federal projects.
- **NO-LIEN CONTRACT** Contract between the owner and general contractor which waives the right to file mechanics' liens against the project.
- **NOTICE OF COMMENCEMENT** Document required to be recorded by the owner at the commencement of construction, listing basic project information.
- **NOTICE OF COMPLETION** Document required to be recorded by the owner at completion of construction.
- **NOTICE OF INTENT** Notice to the owner that a mechanics' lien is about to be filed against the project.
- **PAY-WHEN-PAID CLAUSE** Provision in contract between prime contractor and subcontractor or materialman which states that the general contractor is not obligated to pay subcontractor or materialman until it receives payment from owner. Shifts risk of owner's non-payment from general contractor to subcontractor or materialman.
- **PAYMENT BOND** Contractor's bond whereby a surety guarantees to the owner that providers of materials and labor will be paid. Claimants are those who contract with the contractor or a subcontractor.
- **PRELIMINARY NOTICE** Notice given to the owner and general contractor by subcontractors and material suppliers, advising they are contributing to the project. This notice is usually a pre-requisite to preserving lien and/or bond rights. Also referred to as *notice of furnishing*, *notice to owner*, *or notice to contractor*.

This Notice is generally required by state statute. However, providing a "Non-statutory" Notice in states where it is not required is very useful to notify parties you are on the job and expect to be paid.

- **PRIVATE PROJECT** Construction, alteration or repair of a privately owned building or other improvement.
- **PROMPT-PAYMENT LAW** Statute which requires contractors and subcontractors who receive payment for work on a construction project to make payment to their subcontractors and vendors within a specified time, and imposing penalties for failure to do so.

GLOSSARY

- **BOND CLAIM** Written notice to the payment bond surety from a subcontractor, supplier or materialman, advising that the claimant has not been paid, and which perfects the claimant's right to sue on the bond.
- **COMPLETION AND ACCEPTANCE** Date when project is substantially completed, such that it may be occupied for its intended use, and accepted by the owner as complete in accordance with the contract.
- **DIRECT LIEN** A mechanic's lien which is enforceable against the owner's real property, even if the owner has paid the contractor in full. It must be noted that all statutory notice and filing requirements must be strictly adhered to. Certain states may offer owners other defenses to double liability; this must be examined on a case-by-case basis.
- **FEDERAL PROJECT** Construction, alteration or repair of any public building or public work of the United States.
- **FINAL SETTLEMENT** Payment by the owner of the remaining contract balance as adjusted by change orders.
- **FIRST FURNISHING** Date when labor or materials are first provided or delivered to the project.
- **GENERAL CONTRACTOR** One who contracts directly with the owner for construction of an improvement. Also referred to as *principal contractor*, *prime contractor*, *or original contractor*.
- **INTENT TO LIEN** Notice to the owner that a mechanics' lien is about to be filed against their property.
- **LAST FURNISHING** Date when labor or materials are last provided or delivered to the project.
- **LIEN ON FUNDS** A lien enforceable against unpaid project funds in the hands of the public entity which contracted for the construction project.
- **LIMITED LIEN** A lien **enforceable against the owner's real property** to the extent of the unpaid balance of contract funds due from the owner to the general contractor at the time notice of the lien is given. This lien may also be limited by the balance of funds due from the general contractor to the subcontractor.

- **MATERIALMAN** One who furnishes only materials for the improvement under the contract with the owner, and who performs no labor in their installation. Also referred to as *material supplier*.
- **MECHANIC'S LIEN** A right enforceable against the owner's real property improved by the labor and materials furnished under the construction contract, to secure payment. Also referred to as *construction lien*, *materialman's lien*, *affidavit of lien*, *or notice of lien*.
- MILLER ACT Federal statute requiring contractors to post payment bonds on federal projects.
- **NO-LIEN CONTRACT** Contract between the owner and general contractor which waives the right to file mechanics' liens against the project.
- **NOTICE OF COMMENCEMENT** Document required to be recorded by the owner at the commencement of construction, listing basic project information.
- **NOTICE OF COMPLETION** Document required to be recorded by the owner at completion of construction.
- **NOTICE OF INTENT** Notice to the owner that a mechanics' lien is about to be filed against the project.
- **PAY-WHEN-PAID CLAUSE** Provision in contract between prime contractor and subcontractor or materialman which states that the general contractor is not obligated to pay subcontractor or materialman until it receives payment from owner. Shifts risk of owner's non-payment from general contractor to subcontractor or materialman.
- **PAYMENT BOND** Contractor's bond whereby a surety guarantees to the owner that providers of materials and labor will be paid. Claimants are those who contract with the contractor or a subcontractor.
- **PRELIMINARY NOTICE** Notice given to the owner and general contractor by subcontractors and material suppliers, advising they are contributing to the project. This notice is usually a pre-requisite to preserving lien and/or bond rights. Also referred to as *notice of furnishing, notice to owner, or notice to contractor.*
 - This Notice is generally required by state statute. However, providing a "Non-statutory" Notice in states where it is not required is very useful to notify parties you are on the job and expect to be paid.
- **PRIVATE PROJECT** Construction, alteration or repair of a privately owned building or other improvement.

- **PROMPT-PAYMENT LAW** Statute which requires contractors and subcontractors who receive payment for work on a construction project to make payment to their subcontractors and vendors within a specified time, and imposing penalties for failure to do so.
- **PUBLIC PROJECT** Construction, alteration or repair of any public building or public work of a state or any of its subdivisions.
- **SPECIALLY-FABRICATED MATERIALS** Materials manufactured according to project specifications, such as to have no substantial value for any other purpose.
- **STOP NOTICE** Notice given to the project owner requiring them to withhold an amount sufficient to pay the claimant's balance from unpaid contract funds.
- **SUBCONTRACTOR** One who contracts directly with the general contractor to provide materials and labor.
- **TRUST-FUND THEORY** As provided by various state statutes, money paid by the project owner to the contractor, or by the contractor to a subcontractor, is held in trust for payment of lower-tier providers.