## **CHAPTER 577**

#### ARTISAN'S LIEN

Referred to in §321.47

577.1	Nature of lien — generally —	577.3	Possession of certain property to
	aircraft and equipment.		be surrendered upon notice
577.2	Enforcement of lien.		from attorney general.

### 577.1 Nature of lien — generally — aircraft and equipment.

- 1. Any person who renders any service or furnishes any material in the making, repairing, improving, or enhancing the value of any inanimate personal property, with the assent of the owner, express or implied, shall have a lien thereon for the agreed or reasonable compensation for the service and material while such property is lawfully in the person's possession, which possession the person may retain until such compensation is paid, but such lien shall be subject to all prior liens of record, unless notice is given to all lienholders of record and written consent is obtained from all lienholders of record to the making, repairing, improving, or enhancing the value of any inanimate personal property and in this event the lien created under this section shall be prior to liens of record.
- 2. a. The assent of the owner shall be implied, for purposes of determining whether a lien on inanimate personal property exists, if all of the following are established:
- (1) The inanimate personal property is a multi-engine aircraft, eligible for registration under section 501 of the federal Aviation Act of 1958, 49 U.S.C. §44102.
- (2) The aircraft is either owned, leased, operated, or on order by an air carrier certified under section 604(b) of the federal Aviation Act of 1958, 49 U.S.C. §44705, or by any other person that rents or leases commercial airliners to certified air carriers in the regular course of business.
- (3) The material furnished is new electronic navigation or communications aviation equipment.
- (4) The equipment is delivered for installation on the aircraft at the request of a lessee, operator, or other person, or an agent of the lessee, operator, or other person, who has an interest in or exercises control over the aircraft.
- b. The aircraft and equipment shall be deemed, for purposes of determining priority over perfected security interests, to be in the possession of the person who furnished the equipment, if the person either manufactures or sells the equipment in the regular course of business and allows the equipment to be made available for installation on the aircraft by releasing it for delivery. Possession of the aircraft and equipment shall be deemed to continue up to, and including, ninety days after the equipment is fully installed on the aircraft, except that if a notice of lien is filed with the federal aviation administration, and no subsequent release of the lien is on file, it shall be deemed to continue indefinitely. A notice of lien under this section is not required to be verified or notarized, but shall be signed by the lienholder, the lienholder's designated agent, or the lienholder's attorney and must identify the aircraft which is the subject of the lien. Notwithstanding subsection 1, liens obtained under this subsection attach and take priority over all other prior liens of record without the giving of prior notice or the obtaining of consent and are enforceable against all persons, including a bona fide purchaser.

[R60, §1898; C73, §2177; C97, §3130; C24, 27, 31, 35, 39, §**10343;** C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §577.1]

91 Acts, ch 22,  $\S1$ ; 2013 Acts, ch 90,  $\S168$  Bond to release, chapter 584 Secured transactions;  $\S554.9101$  et seq.

#### 577.2 Enforcement of lien.

Said lien may be foreclosed in the manner provided in the uniform commercial code, section 554.7308.

[R60, §1898 – 1905; C73, §2177-2182; C97, §3130 – 3134; S13, §3131; C24, 27, 31, 35, 39, §10344; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §577.2]

Attachment to enforce lien, §640.1

# 577.3 Possession of certain property to be surrendered upon notice from attorney general.

- 1. A supplier, as defined in section 537B.2, upon receipt of a written notice from the attorney general that the attorney general has reason to believe that the supplier has engaged in a deceptive act or practice pursuant to section 537B.6, subsections 2 through 12, in connection with a transaction in which the supplier is asserting a lien to personal property pursuant to this chapter, shall surrender possession of the property to the owner of the property. The supplier shall make the property available to the owner within one business day of receiving notice from the attorney general during the supplier's usual business hours.
- 2. The attorney general shall serve the written notice pursuant to subsection 1 by certified mail and such notice shall be presumed to have been received by the supplier upon the earlier of the date of actual receipt, the date upon which the supplier refused initial delivery, or the date the supplier was notified was the last day to retrieve the delivery from the postal service.
- 3. The attorney general's belief that the supplier has engaged in a deceptive act or practice pursuant to section 537B.6, subsections 2 through 12, the supplier's surrendering possession of the motor vehicle to the owner pursuant to this section, and the attorney general's service of notice on the supplier pursuant to this section shall not be admissible in any litigation between the supplier and the owner of the property subject to the lien unless the supplier fails to comply with the requirements of this section.
- 4. An otherwise valid lien under this chapter is not lost as a result of the supplier surrendering possession of the property pursuant to this section and an otherwise valid lien may be foreclosed pursuant to section 554.7308 within one year of the supplier surrendering possession under this section.
- 5. In addition to any other applicable remedy, the attorney general may seek relief against a supplier for a violation of this section to the same extent the attorney general may seek relief under section 714.16, subsection 6, for failure or refusal to obey a subpoena issued by the attorney general.

2010 Acts, ch 1008, §1, 2