

Kim Reynolds governor

OFFICE OF THE GOVERNOR

Adam Gregg lt governor

April 30, 2021

The Honorable Paul Pate Secretary of State of Iowa State Capitol Des Moines, Iowa 50319

Dear Mr. Secretary,

I hereby transmit:

House File 561, an Act relating to the perfection of mechanics' liens and mechanics' liens remedies and including effective date provisions.

The above House File is hereby approved on this date.

Sincerely,

Governor of Iowa

cc: Secretary of the Senate Clerk of the House



House File 561

AN ACT

RELATING TO THE PERFECTION OF MECHANICS' LIENS AND MECHANICS' LIENS REMEDIES AND INCLUDING EFFECTIVE DATE PROVISIONS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 572.8, subsection 3, Code 2021, is amended to read as follows:

3. A lien perfected under this section shall be limited to the county <u>or counties</u> in which the building, land, or improvement to be charged with the lien is situated. The county <u>or counties</u> identified on the mechanics' notice and lien registry internet site at the time of posting the required notices pursuant to sections 572.13A and 572.13B shall be the only county <u>or counties</u> in which the building, land, or improvement may be charged with a mechanic's lien.

Sec. 2. Section 572.32, Code 2021, is amended to read as follows:

572.32 Attorney fees - remedies.

 In a court action to enforce a mechanic's lien, or an action brought upon any bond given in lieu thereof, a prevailing plaintiff may be awarded reasonable attorney fees.

2. In a court action to challenge a mechanic's lien posted on a residential construction property, or any bond given in <u>lieu thereof</u>, if the person challenging the lien or defending <u>against any action on the bond</u> prevails, the court may award reasonable attorney fees and actual damages. If the court determines that the mechanic's lien was posted in bad faith

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or the supporting affidavit was materially false, the court shall award the owner reasonable attorney fees plus an amount not less than five hundred dollars or the amount of the lien, whichever is less.

Sec. 3. EFFECTIVE DATE. This Act takes effect January 1, 2022.

PAT GRASSLEY Speaker of the House

KE CHAPMAN

President of the Senate

I hereby certify that this bill originated in the House and is known as House File 561, Eighty-ninth General Assembly.

MEGHAN NELSON Chief, Cler, of the House

KIM REYNOLD Governor

Approved April 30th , 2021