

FEB 18 1998

JUDICIARY

HOUSE FILE
BY GARMAN

2329

Passed House, Date _____

Passed Senate, Date _____

Vote: Ayes _____ Nays _____

Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

1 An Act providing for a cause of action for a wrongful mechanic's
2 lien.

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

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1 Section 1. NEW SECTION. 572.34 ACTION FOR WRONGFUL LIEN.

2 1. A person against whom a mechanic's lien has been filed
3 may bring an action in the district court against the person
4 who filed the lien when the mechanic's lien has been
5 wrongfully filed with the clerk of the district court in that
6 district.

7 2. If the court determines that the lien filing did not
8 satisfy the requirements of this chapter, the court shall
9 order that the clerk of the district court immediately expunge
10 the abstract of lien from the mechanic's lien book, as well as
11 any other files or documents relating to the recording of the
12 lien. The clerk of court shall provide acknowledgement to the
13 person bringing the suit that the lien has been expunged.

14 3. A person who wrongfully files a lien shall be liable
15 for any damages caused by the wrongful filing of the lien.

16 4. A person who prevails in an action alleging a wrongful
17 lien shall be entitled to recover costs, including a
18 reasonable attorney fee.

19 EXPLANATION

20 This bill adds a new section to Code chapter 572 regarding
21 mechanic's liens. The new Code section provides a cause of
22 action when a mechanic's lien has been wrongfully filed
23 against a person, and provides for recovery of damages,
24 expungement of the lien, and recovery of costs and a
25 reasonable attorney fee by the person against whom a lien has
26 been wrongfully filed.

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