

JUDICIARY
FILED FEB 3 1999

SENATE FILE 85
BY BLACK and FLYNN

(COMPANION TO LSB 1878HH
BY CARROLL)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to notification requirements associated with the
2 perfection of mechanics' liens by a person furnishing labor or
3 materials to a subcontractor, and providing an effective date.

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

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1 Section 1. Section 572.33, Code 1999, is amended to read
2 as follows:

3 572.33 REQUIREMENT OF NOTIFICATION.

4 1. Notwithstanding other provisions of this chapter, and
5 in addition to all other requirements of this chapter, a
6 person furnishing labor or materials to a subcontractor shall
7 not be entitled to a lien under this chapter unless the person
8 furnishing labor or materials does all of the following:

9 ± a. Notifies the owner and the principal contractor
10 within thirty sixty days of the furnishing of the labor or
11 materials for which a lien claim is made, including the
12 amount, kind, and value of the labor or materials furnished.

13 2 b. Supports the lien claim with a certified statement
14 that the principal contractor was notified within thirty sixty
15 days after the labor or materials were furnished of the
16 amount, kind, and value of the labor or materials furnished.

17 2. This section does not apply to a person furnishing
18 labor or materials to a subcontractor valued at ten thousand
19 dollars or less.

20 Sec. 2. EFFECTIVE DATE. This Act, being deemed of
21 immediate importance, takes effect upon enactment.

22 EXPLANATION

23 This bill amends Code section 572.33, regarding mechanics'
24 liens. The bill changes the 30-day notification requirement
25 to the owner and principal contractor to 60 days. The bill
26 also exempts from the notification requirement labor or
27 materials furnished to a subcontractor that are valued at
28 \$10,000 or less. Thus, a person who furnishes labor or
29 materials to a subcontractor that are valued at \$10,000 or
30 less can perfect a mechanic's lien by complying with other
31 requirements of Code chapter 572, and without complying with
32 the notification requirements of Code section 572.33.

33 This bill becomes effective upon enactment.

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