

House Study Bill 215 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE
ON JUDICIARY BILL BY
CHAIRPERSON BALTIMORE)

A BILL FOR

1 An Act concerning mechanic's liens and the mechanics' notice
2 and lien registry.

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

1 Section 1. Section 572.8, subsection 1, paragraph e, Code
2 2013, is amended to read as follows:

3 e. The ~~tax~~ parcel identification number required by law to
4 be assigned to the property for real estate tax administration
5 purposes.

6 Sec. 2. Section 572.13A, subsection 1, unnumbered paragraph
7 1, Code 2013, is amended to read as follows:

8 A general contractor, or owner-builder who has contracted or
9 will contract with a subcontractor to provide labor or furnish
10 material for the property, shall post a notice of commencement
11 of work to the mechanics' notice and lien registry internet
12 website ~~within~~ no later than ten days ~~of~~ after commencement
13 of work on the property. A notice of commencement of work is
14 effective only as to any labor, service, equipment, or material
15 furnished to the property subsequent to the posting of the
16 notice of commencement of work. A notice of commencement of
17 work shall include all of the following information:

18 Sec. 3. Section 572.13A, subsection 1, paragraph f, Code
19 2013, is amended to read as follows:

20 f. The ~~tax~~ parcel identification number required by law to
21 be assigned to the property for real estate tax administration
22 purposes.

23 Sec. 4. Section 572.13B, subsection 1, paragraph i, Code
24 2013, is amended to read as follows:

25 i. The ~~tax~~ parcel identification number required by law to
26 be assigned to the property for real estate tax administration
27 purposes.

28 Sec. 5. Section 572.22, subsection 6, Code 2013, is amended
29 to read as follows:

30 6. The ~~tax~~ parcel identification number ~~of the property to~~
31 ~~be charged~~ required by law to be assigned to the property for
32 real estate tax administration purposes.

33 Sec. 6. Section 572.23, Code 2013, is amended to read as
34 follows:

35 **572.23 Acknowledgment of satisfaction of claim.**

1 1. When a mechanic's lien is satisfied by payment of the
2 claim, the claimant shall ~~acknowledge~~ post to the mechanics'
3 notice and lien registry an acknowledgment of satisfaction
4 ~~thereof~~ of claim and, if the claimant neglects to do so for
5 thirty days after demand in writing is personally served upon
6 the claimant, the claimant shall forfeit and pay twenty-five
7 dollars to the owner, general contractor, or owner-builder and
8 be liable to any person injured to the extent of the injury.

9 2. If ~~satisfaction is not acknowledged~~ an acknowledgment of
10 satisfaction of claim is not posted to the mechanics' notice
11 and lien registry within thirty days after service of the
12 demand in writing, the party serving the demand or causing the
13 demand to be served may ~~file for record with the administrator~~
14 post to the mechanics' notice and lien registry a copy of
15 the demand with proofs of service attached and endorsed and,
16 in case of service by publication, a personal affidavit that
17 personal service could not be made within this state. Upon
18 completion of the requirements of this subsection, the ~~record~~
19 posting shall be constructive notice to all parties of the
20 due forfeiture and cancellation of the lien. Upon the ~~filing~~
21 posting of the demand with the required attachments, the
22 administrator shall mail a date-stamped copy of the demand to
23 both parties.

24 Sec. 7. NEW SECTION. 572.23A **Partial satisfaction of money**
25 **debt after posting notice.**

26 1. A general contractor or subcontractor shall post an
27 acknowledgment of partial satisfaction of a money debt to the
28 mechanics' notice and lien registry for material, labor, and
29 equipment furnished by the general contractor or subcontractor.

30 2. If an acknowledgment of partial satisfaction pursuant
31 to subsection 1 is not posted to the mechanic's notice and
32 lien registry within thirty days after receipt of written
33 demand from the owner, general contractor, or owner-builder,
34 the owner, general contractor, or owner-builder may post an
35 acknowledgment of partial satisfaction of the money debt and a

1 copy of the written demand to the mechanics' notice and lien
2 registry.

3 3. This section applies in situations where the required
4 notices pursuant to sections 572.13A and 572.13B have been
5 posted to the mechanics' notice and lien registry but a
6 mechanic's lien has not been posted.

7 Sec. 8. Section 572.34, subsections 3, 7, 8, and 9, Code
8 2013, are amended to read as follows:

9 3. a. The administrator shall index the legal descriptions
10 of the properties for which notices and liens are posted to
11 the registry. For the purpose of performing a search of the
12 registry the legal description shall be the controlling index
13 category.

14 b. The registry shall be indexed by owner name, general
15 contractor name, mechanics' notice and lien registry number,
16 property address, legal description, ~~tax~~ parcel identification
17 number required by law to be assigned to the property for real
18 estate tax administration purposes, and any other identifier
19 considered appropriate as determined by the administrator
20 pursuant to rule.

21 7. Notices ~~may~~ shall be posted to the mechanics' notice and
22 lien registry electronically on the administrator's internet
23 website, ~~or may be sent to the administrator for posting~~
24 ~~by United States mail or facsimile transmission, or other~~
25 ~~alternate method as provided by the administrator pursuant to~~
26 ~~rule. Notices received by United States mail or facsimile~~
27 ~~transmission shall be posted by the administrator to the~~
28 ~~mechanics' notice and lien registry within three business days~~
29 ~~of receipt.~~

30 8. Mechanics' liens ~~may~~ shall be posted to the mechanics'
31 notice and lien registry electronically on the administrator's
32 internet website ~~or may be sent to the administrator for~~
33 ~~posting by United States mail. Liens received by United States~~
34 ~~mail shall be posted by the administrator to the mechanics'~~
35 ~~notice and lien registry within three business days of receipt.~~

1 9. ~~The administrator shall send a receipt acknowledging a~~
2 ~~notice or lien submitted by United States mail or facsimile~~
3 ~~transmission, as provided by the administrator by rule. The~~
4 posting of a notice or a lien to the mechanics' notice and lien
5 registry internet website pursuant to this chapter, along with
6 the tender of the requisite filing fees and the sending of an
7 acknowledgment receipt by the administrator, is equivalent to a
8 filing and recording of the appropriate notice or lien in the
9 county in which the real estate is located.

10

EXPLANATION

11 This bill concerns mechanic's liens and the mechanics'
12 notice and lien registry.

13 The bill amends provisions relating to certain property
14 information required for precommencement and preliminary
15 notices.

16 The bill provides that when a mechanic's lien is satisfied
17 by payment of the claim, the claimant must acknowledge
18 satisfaction by posting an acknowledgment of the satisfaction
19 to the registry. If such an acknowledgment is not posted to
20 the registry within 30 days after service of the demand in
21 writing, the party serving the demand may post a copy of the
22 demand to the registry.

23 The bill provides that a general contractor or subcontractor
24 shall post an acknowledgment of partial satisfaction of a money
25 debt to the mechanics' notice and lien registry for material,
26 labor, and equipment furnished by the general contractor or
27 subcontractor. If an acknowledgment of partial satisfaction
28 is not posted to the registry within 30 days after receipt
29 of written demand from the owner, general contractor, or
30 owner-builder, the owner, general contractor, or owner-builder
31 may post an acknowledgment of partial satisfaction of the money
32 debt and a copy of the written demand to the mechanics' notice
33 and lien registry. This provision applies in situations where
34 the required notices pursuant to Code sections 572.13A and
35 572.13B have been posted to the mechanics' notice and lien

1 registry but a mechanic's lien has not been posted.

2 The bill requires the administrator to index the legal
3 descriptions of the properties for which notices and liens are
4 posted to the registry.

5 The bill provides that precommencement and preliminary
6 notices and mechanic's liens shall be posted to the mechanics'
7 notice and lien registry electronically on the administrator's
8 internet website.

9 The bill provides that the posting of a notice or a lien
10 to the mechanics' notice and lien registry internet website
11 along with the requisite filing fees and the sending of an
12 acknowledgment receipt by the administrator is equivalent to a
13 filing and recording of the appropriate notice or lien in the
14 county in which the real estate is located.