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State of Minnesota HOUSE OF REPRESENTATIVES

EIGHTY-SIXTH SESSION

HOUSE FILE No. 3326

March 4, 2010

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The bill was read for the first time and referred to the Committee on Commerce and Labor

1.1 A bill for an act
1.2 relating to real property; modifying a timeline relating to mechanics lien;
1.3 amending Minnesota Statutes 2008, section 514.011, subdivision 2.

1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5 Section 1. Minnesota Statutes 2008, section 514.011, subdivision 2, is amended to read:

1.6 Subd. 2. Subcontractor to give notice. (a) Every person who contributes to the
1.7 improvement of real property so as to be entitled to a lien pursuant to section 514.01,
1.8 except a party under direct contract with the owner must, as a necessary prerequisite to
1.9 the validity of any claim or lien, cause to be given to the owner or the owner's authorized
1.10 agent, either by personal delivery or by certified mail, not later than 45 60 days after the
1.11 lien claimant has first furnished labor, skill or materials for the improvement, a written
1.12 notice in at least 10-point bold type, if printed, or in capital letters, if typewritten, which
1.13 shall state:

1.14 "This notice is to advise you of your rights under Minnesota law in connection
1.15 with the improvement to your property.

1.16 Any person or company supplying labor or materials for this improvement may file
1.17 a lien against your property if that person or company is not paid for the contributions.

1.18 We
1.19 (name and address of subcontractor)

1.20 have been hired by your contractor
1.21 (name of your contractor)

1.22 to provide or for
1.23 (type of service) (material)

1.24 this improvement.

2.1 To the best of our knowledge, we estimate our charges will be

2.2 (value of service or material)

2.3 If we are not paid by your contractor, we can file a claim against your property for

2.4 the price of our services.

2.5 You have the right to pay us directly and deduct this amount from the contract price,

2.6 or withhold the amount due us from your contractor until 120 days after completion of the

2.7 improvement unless your contractor gives you a lien waiver signed by me (us).

2.8 We may not file a lien if you paid your contractor in full before receiving this notice."

2.9 (b) A person entitled to a lien does not lose the right to the lien for failure to strictly

2.10 comply with this subdivision if a good faith effort is made to comply, unless the owner or

2.11 another lien claimant proves damage as a direct result of the failure to comply.