SENATE BILL NO. 93-SENATOR O'DONNELL

FEBRUARY 9, 2001

Referred to Committee on Judiciary

SUMMARY—Provides that notice of mechanic's lien must include reference to previous liens involving same labor or materials for same property. (BDR 9-74)

FISCAL NOTE: Effect on Local Government: No.

Effect on the State: No.

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EXPLANATION - Matter in bolded italics is new; matter between brackets [omitted material] is material to be omitted.

AN ACT relating to liens; providing that a notice of mechanic's lien must include a reference to any previously recorded lien involving the same labor or materials for the same property; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. NRS 108.226 is hereby amended to read as follows:

108.226 1. Every person claiming the benefit of NRS 108.221 to 108.246, inclusive, must record his notice of lien in the form provided in subsection 5:

- (a) Within 90 days after the completion of the work of improvement;
- (b) Within 90 days after the last delivery of material by the lien claimant; or
- (c) Within 90 days after the last performance of labor by the lien claimant.

whichever is later.

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- 2. The time within which to perfect the lien by recording the notice of lien is shortened if a notice of completion is recorded in a timely manner pursuant to NRS 108.228, in which event the notice of lien must be recorded within 40 days after the recording of the notice of completion.
- 3. Any one of the following acts or events is equivalent to "completion of the work of improvement" for all purposes of NRS 108.221 to 108.246, inclusive:
- 18 (a) The occupation or use of a building, improvement or structure by the 19 owner, his agent or his representative and accompanied by cessation of 120 labor thereon.
 - (b) The acceptance by the owner, his agent or his representative of the building, improvement or structure.



(c) The cessation from labor for 30 days upon any building, improvement or structure, or the alteration, addition to or repair thereof.

- (d) The recording of the notice of completion provided in NRS 108.228.
- 4. For the purposes of this section, if a work of improvement consists of the construction of more than one separate building and each building is constructed pursuant to:
- (a) A separate contract, each building shall be deemed a separate work of improvement. The time within which to perfect the lien by recording the notice of lien pursuant to subsection 1 commences to run upon the completion of each separate building; or
- (b) A single contract, the time within which to perfect the lien by recording the notice of lien pursuant to subsection 1 commences to run upon the completion of all the buildings constructed pursuant to that contract.

As used in this subsection, "separate building" means one structure of a work of improvement and any garages or other outbuildings appurtenant thereto.

- 5. The notice of mechanic's lien must be recorded in the office of the county recorder of the county where the property or some part thereof is situated and must contain:
- (a) A statement of his demand after deducting all just credits and offsets.
 - (b) The name of the owner or reputed owner if known.
- (c) The name of the person by whom he was employed or to whom he furnished the material.
 - (d) A statement of the terms, time given and conditions of his contract.
- (e) A description of the property to be charged with the lien sufficient for identification.
- (f) A reference to any previously recorded notice of mechanic's lien that:
 - (1) Has not been released or discharged; and
 - (2) Involves the same labor or materials for the same property.
- 6. The claim must be verified by the oath of the claimant or some other person. The claim need not be acknowledged to be recorded.
- 7. It is unlawful for a person knowingly to make a false statement in or relating to the recording of a notice of lien pursuant to the provisions of this section. A person who violates this subsection is guilty of a gross misdemeanor and shall be punished by a fine of not less than \$5,000 nor more than \$10,000.

