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FIRST REPRINT

S.B. 93

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 statement identifying portion of demand to be used to pay sum owed to subcontractor or for labor or materials. (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 statement identifying any portion of the demand that is to be used to pay for any sum owed to a subcontractor or for labor or materials; and providing other matters properly relating thereto.

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

- 1 **Section 1.** NRS 108.226 is hereby amended to read as follows:
2 108.226 1. Every person claiming the benefit of NRS 108.221 to
3 108.246, inclusive, must record his notice of lien in the form provided in
4 subsection 5:
5 (a) Within 90 days after the completion of the work of improvement;
6 (b) Within 90 days after the last delivery of material by the lien
7 claimant; or
8 (c) Within 90 days after the last performance of labor by the lien
9 claimant,
10 whichever is later.
11 2. The time within which to perfect the lien by recording the notice of
12 lien is shortened if a notice of completion is recorded in a timely manner
13 pursuant to NRS 108.228, in which event the notice of lien must be
14 recorded within 40 days after the recording of the notice of completion.
15 3. Any one of the following acts or events is equivalent to "completion
16 of the work of improvement" for all purposes of NRS 108.221 to 108.246,
17 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
20 labor thereon.



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1 (b) The acceptance by the owner, his agent or his representative of the
2 building, improvement or structure.
3 (c) The cessation from labor for 30 days upon any building,
4 improvement or structure, or the alteration, addition to or repair thereof.
5 (d) The recording of the notice of completion provided in NRS 108.228.
6 4. For the purposes of this section, if a work of improvement consists
7 of the construction of more than one separate building and each building is
8 constructed pursuant to:
9 (a) A separate contract, each building shall be deemed a separate work
10 of improvement. The time within which to perfect the lien by recording the
11 notice of lien pursuant to subsection 1 commences to run upon the
12 completion of each separate building; or
13 (b) A single contract, the time within which to perfect the lien by
14 recording the notice of lien pursuant to subsection 1 commences to run
15 upon the completion of all the buildings constructed pursuant to that
16 contract.
17 As used in this subsection, "separate building" means one structure of a
18 work of improvement and any garages or other outbuildings appurtenant
19 thereto.
20 5. The notice of mechanic's lien must be recorded in the office of the
21 county recorder of the county where the property or some part thereof is
22 situated and must contain:
23 (a) A statement of his demand after deducting all just credits and
24 offsets.
25 (b) The name of the owner or reputed owner if known.
26 (c) The name of the person by whom he was employed or to whom he
27 furnished the material.
28 (d) A statement of the terms, time given and conditions of his contract.
29 (e) A description of the property to be charged with the lien sufficient
30 for identification.
31 *(f) A statement identifying any portion of his demand that is to be*
32 *used to pay for any sum owed:*
33 *(1) To any subcontractor; or*
34 *(2) For labor or materials.*
35 6. The claim must be verified by the oath of the claimant or some other
36 person. The claim need not be acknowledged to be recorded.
37 7. It is unlawful for a person knowingly to make a false statement in or
38 relating to the recording of a notice of lien pursuant to the provisions of
39 this section. A person who violates this subsection is guilty of a gross
40 misdemeanor and shall be punished by a fine of not less than \$5,000 nor
41 more than \$10,000.

