

Department of Legislative Services
Maryland General Assembly
2008 Session

FISCAL AND POLICY NOTE
Revised

House Bill 1247

(Delegates Hucker and Weir)

Environmental Matters

Judicial Proceedings

Real Property - Mechanic's Lien - Certified Interior Design Services

This bill authorizes the establishment of a mechanic's lien under the mechanic's lien statute for interior design services that pertain to interior architectural construction and are provided by a certified interior designer.

Fiscal Summary

State Effect: General and special fund revenues from recordation fees and surcharges would increase minimally for mechanics' liens recorded under the bill. Expenditures would not be affected.

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Current Law: No provision authorizes a mechanic's lien if a building has not been erected, repaired, rebuilt, or improved. Under the mechanic's lean statute, a building erected or a building repaired, rebuilt, or improved to the extent of 15% of its value is subject to the establishment of a lien for the payment of all debts contracted for work done and for materials furnished, including the drilling and installation of wells to supply water; the construction or installation of any swimming pool or fencing; the sodding, seeding, or planting of shrubbery or other nursery products; the grading, filling, landscaping, and paving of the premises; building or landscape architectural services,

engineering services, or land surveying services; and the leasing of equipment for use about the building or premises.

In order to establish a mechanic's lien, a person must file proceedings in the circuit court for the county where the land or any part of it is located within 180 days after the work has been finished or the materials furnished. The petition must at least state the name and address of the petitioner, the name and address of the owner, specified information about the work done or the materials furnished, a description of the land, and if the petitioner was a subcontractor, facts showing that the required notice was sent to the owner.

Background: Chapter 198 of 2006 added building or landscape architectural services, engineering services, and land surveying services to the mechanic's lien statute.

There are approximately 290 certified interior designers in the State. Interior design services that would not be covered under the bill include the selection, location, and specification for the procurement of furniture, equipment, signage, artwork, plants, and decorative draperies.

State Revenues: The recordation fee for real property instruments such as liens is \$20 for an instrument of 9 or fewer pages in length or for an instrument involving solely a principal residence. The recordation fee is \$75 for other instruments of 10 or more pages in length. In addition, each recordable instrument is subject to a surcharge of \$20, which is deposited in the Circuit Court Real Property Records Improvement Fund. The number of liens recorded under the bill cannot be accurately estimated; however, it is assumed that the number recorded would be minimal. It is further assumed that any lien recorded under the bill would be 9 or fewer pages. Therefore, general and special fund revenues would each increase by \$20 for each lien recorded under the bill.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Judiciary (Administrative Office of the Courts); Department of Labor, Licensing, and Regulation; Office of the Attorney General (Consumer Protection); Department of Legislative Services

Fiscal Note History: First Reader - March 11, 2008
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