

Department of Legislative Services  
Maryland General Assembly  
1999 Session

FISCAL NOTE

Senate Bill 680 (Senator DeGrange)

Judicial Proceedings

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**Mechanics' Liens - Notice to Purchaser**

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This bill provides that filing a petition, in accordance with the current law relating to the filing of claims, constitutes notice to a purchaser of real property of the possibility of a lien being perfected, even if equitable title has passed to the purchaser.

The bill applies prospectively.

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**Fiscal Summary**

**State Effect:** None. The bill is not expected to significantly increase the caseload of the District Court.

**Local Effect:** None. The bill is not expected to significantly increase the caseload of the circuit courts.

**Small Business Effect:** Potential meaningful. Under Himmighoefer v. Medallion Indus., Inc. (1985), where there were conflicting claims to property between a bona fide purchaser for value and a mechanics' lienor, a purchaser who acquires equitable title prior to the filing of a petition for a mechanics' lien prevails. Conversely, this bill would permit a mechanics' lien to be entered against the property when a purchaser acquires equitable title before a petition is filed for a mechanics' lien.

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**Information Sources:** Judiciary (Administrative Office of the Courts), Department of Legislative Services

**Fiscal Note History:** First Reader - March 10, 1999

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Analysis by: Jo Ellan Jordan

Direct Inquiries to:

John Rixey, Coordinating Analyst

(410) 946-5510

(301) 970-5510