# **Department of Legislative Services**

Maryland General Assembly 2006 Session

### FISCAL AND POLICY NOTE

Senate Bill 423

(Senator Forehand, et al.)

Judicial Proceedings Environmental Matters

### Real Property - Mechanics' Liens - Professional Services

This bill provides that a mechanic's lien may be established for the provision of building or landscape architectural services, engineering services, or land surveying services.

### **Fiscal Summary**

**State Effect:** None. The bill codifies existing procedure, as interpreted by the courts.

Local Effect: None.

**Small Business Effect:** None.

# **Analysis**

**Current Law:** A building erected or 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; 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:** In letters dated March 14, 2005 and April 7, 2005, the Office of the Attorney General advised that HB 1188 of 2005, an identical bill, would reflect the law in this area as established by case law. In reaching this opinion, the assistant attorney general relied on the Court of Appeals' decisions in *Caton Ridge v. Bonnett*, 245 Md. 268 (1967) (holding that the mechanic's lien law applies to architectural services) and *Peerless v. Prince George's County*, 248 Md. 439 (1968) (holding that the mechanic's lien law applies to engineering and land surveying services).

#### **Additional Information**

**Prior Introductions:** An identical bill, HB 1188 of 2005, passed the House and was referred to the Judicial Proceedings Committee in the Senate, where no further action was taken.

Cross File: HB 1060 (Delegate Shank) – Environmental Matters.

**Information Source(s):** Judiciary (Administrative Office of the Courts), Office of the Attorney General (Consumer Protection Division), Department of Legislative Services

**Fiscal Note History:** First Reader - February 12, 2006

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