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LEGISLATURE OF NEBRASKA

ONE HUNDRED FIRST LEGISLATURE

SECOND SESSION

LEGISLATIVE BILL 822

Introduced by Janssen, 15.

Read first time January 08, 2010

Committee: Judiciary

A BILL

- FOR AN ACT relating to liens; to amend section 52-137, Reissue

 Revised Statutes of Nebraska; to change provisions
- 3 relating to construction liens; and to repeal the
- 4 original section.
- 5 Be it enacted by the people of the State of Nebraska,

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1 Section 1. Section 52-137, Reissue Revised Statutes of

- 2 Nebraska, is amended to read:
- 3 52-137 (1) A claimant's lien does not attach and may not
- 4 be enforced unless, after entering into the contract under which
- 5 the lien arises and not later than one hundred twenty days after
- 6 his or her final furnishing of services or materials, he or she has
- 7 recorded a lien.
- 8 (2) If a lien is recorded while a notice of commencement
- 9 is effective as to the improvement in connection with which the
- 10 lien arises, the lien attaches as of the time the notice is
- 11 recorded, even though visible commencement occurred before the
- 12 notice is recorded. A notice of commencement is not effective until
- 13 recording and, after recording, is effective until its lapse. A
- 14 notice of commencement lapses at the earlier of its expiration
- 15 as provided in subsection (2) of section 52-145 or the date it
- 16 is terminated by a notice of termination as provided in section
- 17 52-146.
- 18 (3) If a lien is recorded while there is no recorded
- 19 notice of commencement covering the improvement in connection with
- 20 which the lien arises, the lien attaches at the earlier of visible
- 21 commencement of the improvement or the recording of the lien, but
- 22 if visible commencement has occurred before or within thirty days
- 23 after the lapse of the last notice of commencement covering the
- 24 improvement:
- 25 (a) The lien attaches at the time the lien is recorded

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1 if the lien is recorded within thirty days after lapse of the last

- 2 effective notice of commencement; or
- 3 (b) The lien relates back to and attaches thirty-one days
- 4 after the termination date if the lien is recorded more than thirty
- 5 days after lapse of the last effective notice of commencement.
- 6 (4) If new construction is the principal improvement
- 7 involved and the materials, excavation, preparation of an existing
- 8 structure, or other preparation are readily visible on a reasonable
- 9 inspection of the real estate, visible commencement occurs when:
- 10 (a) Materials are delivered to the real estate to which
- 11 the lien attaches preparatory to construction;
- 12 (b) Excavation on the real estate to which the lien
- 13 attaches is begun; or
- 14 (c) Preparation of an existing structure to receive the
- 15 new construction, or other preparation of the real estate to which
- 16 the lien attaches, is begun.
- 17 (5) In all cases not covered by subsection (4) of this
- 18 section, the time visible commencement occurs is to be determined
- 19 by the circumstances of the case.
- 20 (6) The claimant shall send a copy of the recorded
- 21 lien within ten days after recording to (a) the party with whom
- 22 the claimant contracted, (b) the prime contractor, and (c) the
- 23 contracting owner. Failure to send this copy shall not void or
- 24 nullify the lien. The claimant's lien amount may be reduced by
- 25 damages caused to the prime contractor or contracting owner by any

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- 1 <u>delay or failure.</u>
- 2 Sec. 2. Original section 52-137, Reissue Revised Statutes
- 3 of Nebraska, is repealed.