

Senate Bill No. 424

CHAPTER 127

An act to add Section 8319 to the Civil Code, relating to mechanics liens.

[Approved by Governor July 26, 2011. Filed with
Secretary of State July 26, 2011.]

LEGISLATIVE COUNSEL'S DIGEST

SB 424, Rubio. Mechanics liens: design professionals.

The California Constitution provides that mechanics, persons furnishing materials, artisans, and laborers of every class have a lien upon the property upon which they have bestowed labor or furnished material for the value of the labor done and material furnished. The California Constitution also requires the Legislature to provide, by law, for the speedy and efficient enforcement of those liens.

A design professional, on recordation of a claim of lien, has a lien on the site, notwithstanding the absence of commencement of a planned work of improvement, for the amount of the design professional's fee for services provided under the contract or the reasonable value of those services, whichever is less. A design professional also has a right to record a mechanics lien for providing work authorized for a work improvement, subject to specified conditions.

This bill would authorize a design professional to convert a recorded design professional lien to a mechanics lien if certain requirements are met. The bill would make these provisions operative on July 1, 2012.

The people of the State of California do enact as follows:

SECTION 1. Section 8319 is added to the Civil Code, to read:

8319. (a) A design professional may convert a recorded design professional lien to a mechanics lien if all of the following requirements are met:

(1) The design professional lien expires pursuant to paragraph (1) of subdivision (b) of Section 8306.

(2) The design professional lien remains fully or partially unpaid.

(3) Within 30 days of the expiration of the design professional lien pursuant to paragraph (1) of subdivision (b) of Section 8306, the design professional records a mechanics lien for the amount of the unpaid design professional lien.

(4) The recorded mechanics lien states that it is a converted design professional lien but shall be recorded and enforced as a mechanics lien, except the design professional need not provide a preliminary notice to

enforce this mechanics lien. This mechanics lien shall be effective as of the date of recordation of this mechanics lien and shall be given priority pursuant to the provisions of Section 8450.

(b) This section shall not apply if a design professional lien expires pursuant to paragraph (2) of subdivision (b) of Section 8306.

SEC. 2. This act shall become operative on July 1, 2012.