
SENATE BILL 6489

State of Washington

53rd Legislature

1994 Regular Session

By Senators Morton and Moore

Read first time 01/25/94. Referred to Committee on Labor & Commerce.

1 AN ACT Relating to claims of lien against property; and amending
2 RCW 60.04.031 and 60.04.071.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 60.04.031 and 1992 c 126 s 2 are each amended to read
5 as follows:

6 (1) Except as otherwise provided in this section, every person
7 furnishing professional services, materials, or equipment for the
8 improvement of real property shall give the owner or reputed owner
9 notice in writing of the right to claim a lien. If the prime
10 contractor is in compliance with the requirements of RCW 19.27.095,
11 60.04.230, and 60.04.261, this notice shall also be given to the prime
12 contractor as described in this subsection unless the potential lien
13 claimant has contracted directly with the prime contractor. The notice
14 may be given at any time but only protects the right to claim a lien
15 for professional services, materials, or equipment supplied after the
16 date which is sixty days before:

17 (a) Mailing the notice by certified or registered mail to the owner
18 or reputed owner; or

1 (b) Delivering or serving the notice personally upon the owner or
2 reputed owner and obtaining evidence of delivery in the form of a
3 receipt or other acknowledgement signed by the owner or reputed owner
4 or an affidavit of service.

5 In the case of new construction of a single-family residence, the
6 notice of a right to claim a lien may be given at any time but only
7 protects the right to claim a lien for professional services,
8 materials, or equipment supplied after a date which is ten days before
9 the notice is given as described in this subsection.

10 (2) Notices of a right to claim a lien shall not be required of:

11 (a) Persons who contract directly with the owner or the owner's
12 common law agent;

13 (b) Laborers whose claim of lien is based solely on performing
14 labor; or

15 (c) Subcontractors who contract for the improvement of real
16 property directly with the prime contractor, except as provided in
17 subsection (3)(b) of this section.

18 (3) Persons who furnish professional services, materials, or
19 equipment in connection with the repair, alteration, or remodel of an
20 existing owner-occupied single-family residence or appurtenant garage:

21 (a) Who contract directly with the owner-occupier or their common
22 law agent shall not be required to send a written notice of the right
23 to claim a lien and shall have a lien for the full amount due under
24 their contract, as provided in RCW 60.04.021; or

25 (b) Who do not contract directly with the owner-occupier or their
26 common law agent shall give notice of the right to claim a lien to the
27 owner-occupier. Liens of persons furnishing professional services,
28 materials, or equipment who do not contract directly with the owner-
29 occupier or their common law agent may only be satisfied from amounts
30 not yet paid to the prime contractor by the owner at the time the
31 notice described in this section is received, regardless of whether
32 amounts not yet paid to the prime contractor are due. For the purposes
33 of this subsection "received" means actual receipt of notice by
34 personal service, or registered or certified mail, or three days after
35 mailing by registered or certified mail, excluding Saturdays, Sundays,
36 or legal holidays.

37 (4) The notice of right to claim a lien described in subsection (1)
38 of this section, shall include but not be limited to the following

1 information and shall substantially be in the following form, using
2 lower-case and upper-case ten-point type where appropriate.

3 NOTICE TO OWNER

4 IMPORTANT: READ BOTH SIDES OF THIS NOTICE
5 CAREFULLY.

6 PROTECT YOURSELF FROM PAYING TWICE

7 To: Date:

8 Re: (description of property: Street address or general
9 location.)

10 From:

11 AT THE REQUEST OF: (Name of person ordering the professional
12 services, materials, or equipment)

13 THIS IS NOT A LIEN: This notice is sent to you to tell you who is
14 providing professional services, materials, or equipment for the
15 improvement of your property and to advise you of the rights of these
16 persons and your responsibilities. Also take note that laborers on
17 your project may claim a lien without sending you a notice.

18 OWNER/OCCUPIER OF EXISTING
19 RESIDENTIAL PROPERTY

20 Under Washington law, those who furnish labor, professional services,
21 materials, or equipment for the repair, remodel, or alteration of your
22 owner-occupied principal residence and who are not paid, have a right
23 to enforce their claim for payment against your property. This claim
24 is known as a construction lien.

25 The law limits the amount that a lien claimant can claim against your
26 property. Claims may only be made against that portion of the contract
27 price you have not yet paid to your prime contractor as of the time
28 this notice was given to you or three days after this notice was mailed
29 to you. Review the back of this notice for more information and ways
30 to avoid lien claims.

1 COMMERCIAL AND/OR NEW
2 RESIDENTIAL PROPERTY

3 We have or will be providing professional services, materials, or
4 equipment for the improvement of your commercial or new residential
5 project. In the event you or your contractor fail to pay us, we may
6 file a lien against your property. A lien may be claimed for all
7 professional services, materials, or equipment furnished after a date
8 that is sixty days before this notice was given to you or mailed to
9 you, unless the improvement to your property is the construction of a
10 new single-family residence, then ten days before this notice was given
11 to you or mailed to you.

12 Sender:
13 Address:
14 Telephone:

15 Brief description of professional services, materials, or equipment
16 provided or to be provided:

17 IMPORTANT INFORMATION
18 ON REVERSE SIDE

19 IMPORTANT INFORMATION
20 FOR YOUR PROTECTION

21 This notice is sent to inform you that we have or will provide
22 professional services, materials, or equipment for the improvement of
23 your property. We expect to be paid by the person who ordered our
24 services, but if we are not paid, we have the right to enforce our
25 claim by filing a construction lien against your property.

26 LEARN more about the lien laws and the meaning of this notice by
27 discussing them with your contractor, suppliers, Department of Labor
28 and Industries, the firm sending you this notice, your lender, or your
29 attorney.

30 COMMON METHODS TO AVOID CONSTRUCTION LIENS: There are several methods
31 available to protect your property from construction liens. The
32 following are two of the more commonly used methods.

33 DUAL PAYCHECKS (Joint Checks): When paying your contractor for
34 services or materials, you may make checks payable jointly to
35 the contractor and the firms furnishing you this notice.

1 LIEN RELEASES: You may require your contractor to provide lien
2 releases signed by all the suppliers and subcontractors from
3 whom you have received this notice. If they cannot obtain lien
4 releases because you have not paid them, you may use the dual
5 payee check method to protect yourself.

6 YOU SHOULD TAKE APPROPRIATE STEPS TO PROTECT YOUR PROPERTY FROM LIENS.
7 YOUR PRIME CONTRACTOR AND YOUR CONSTRUCTION LENDER ARE REQUIRED BY LAW
8 TO GIVE YOU WRITTEN INFORMATION ABOUT LIEN CLAIMS. IF YOU HAVE NOT
9 RECEIVED IT, ASK THEM FOR IT.

10 * * * * *

11 (5) Every potential lien claimant providing professional services
12 where no improvement as defined in RCW 60.04.011(5) (a) or (b) has been
13 commenced, and the professional services provided are not visible from
14 an inspection of the real property may record in the real property
15 records of the county where the property is located a notice which
16 shall contain the professional service provider's name, address,
17 telephone number, legal description of the property, the owner or
18 reputed owner's name, and the general nature of the professional
19 services provided. If such notice is not recorded, the lien claimed
20 shall be subordinate to the interest of any subsequent mortgagee and
21 invalid as to the interest of any subsequent purchaser if the mortgagee
22 or purchaser acts in good faith and for a valuable consideration
23 acquires an interest in the property prior to the commencement of an
24 improvement as defined in RCW 60.04.011(5) (a) or (b) without notice
25 of the professional services being provided. The notice described in
26 this subsection shall be substantially in the following form:

27 NOTICE OF FURNISHING
28 PROFESSIONAL SERVICES

29 That on the ___(day)___ day of ___(month and year)___, ___(name of
30 provider)___ began providing professional services upon or for the
31 improvement of real property legally described as follows:

32 [Legal Description
33 is mandatory]

34 The general nature of the professional services provided is . . .
35

1 The owner or reputed owner of the real property is
 2
 3
 4 (Signature)
 5
 6 (Name of Claimant)
 7
 8 (Street Address)
 9
 10 (City, State, Zip Code)
 11
 12 (Phone Number)

13 (6) Every person claiming a lien under RCW 60.04.021 must provide
 14 at least ten days' notice of intent to file a claim of lien. This
 15 notice must be provided to the owner of the property and the occupant
 16 of the property, if any. The notice must be by registered or certified
 17 mail.

18 (7) A lien authorized by this chapter shall not be enforced unless
 19 the lien claimant has complied with the applicable provisions of this
 20 section.

21 **Sec. 2.** RCW 60.04.071 and 1991 c 281 s 7 are each amended to read
 22 as follows:

23 Upon payment and acceptance of the amount due to the lien claimant
 24 and upon demand of the owner or the person making payment, the lien
 25 claimant shall immediately prepare and execute a release of all lien
 26 rights for which payment has been made, and deliver the release to the
 27 person making payment. In addition, the lien claimant must record a
 28 release of lien within ten days of accepting payment as full
 29 satisfaction. In any suit to compel deliverance of the release
 30 thereafter in which the court determines the delay was unjustified, the
 31 court shall, in addition to ordering the deliverance of the release,
 32 award the costs of the action including reasonable attorneys' fees and
 33 any damages.

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