

HOUSE BILL REPORT

SB 5484

As Reported By House Committee On:
Commerce & Labor

Title: An act relating to preservation of rights under prior lien laws.

Brief Description: Preserving rights under prior lien laws.

Sponsors: Senators Quigley, Roach, Vognild, Prince, Loveland, Moyer, McAuliffe and L. Smith.

Brief History:

Reported by House Committee on:
Commerce & Labor, March 24, 1993, DPA.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass as amended. Signed by 9 members: Representatives Heavey, Chair; G. Cole, Vice Chair; Lisk, Ranking Minority Member; Chandler, Assistant Ranking Minority Member; Conway; Horn; King; Springer; and Veloria.

Staff: Chris Cordes (786-7117).

Background: The construction lien laws were revised in 1991 and 1992, with the new provisions taking effect on June 1, 1992. The revisions included both technical changes and changes in rights and obligations. The acts repealed many sections of the previous construction lien law.

The new lien laws apply to lien claims that are based on improvements started on or after June 1, 1992. However, the new laws do not mention lien claims arising from projects started before June 1, 1992, and not yet foreclosed by June 1, 1992.

Summary of Amended Bill: All rights acquired and liabilities incurred under the sections of the construction lien law repealed on June 1, 1992, are expressly preserved. All actions pending on June 1, 1992, will proceed under the law as it existed at the time those sections were repealed.

The savings clause is made retroactive to June 1, 1992.

Amended Bill Compared to Original Bill: The amended bill adds an emergency clause with an immediate effective date

and clarifies that lien claim actions pending on June 1, 1992, will proceed under the law as it existed when the new lien law chapter took effect.

Fiscal Note: Not requested.

Effective Date of Amended Bill: The bill contains an emergency clause and takes effect immediately.

Testimony For: All parties who worked on the new lien law bills overlooked the possible need for a savings clause. This bill should be enacted as soon as possible.

Testimony Against: None.

Witnesses: Duke Schaub, Associated General Contractors.