

MINUTES OF THE SENATE COMMERCE COMMITTEE

The meeting was called to order by Chairperson Karin Brownlee at 2:45 P.M.. On February 7, 2008 at the RAIL on the 3<sup>rd</sup> floor of the Capitol.

All members were present except:

Jay Emler- excused  
Laura Kelly- excused

Committee staff present:

Jennifer Thierer, Kansas Legislative Research Department  
Jason Long, Revisor of Statutes  
Jackie Lunn, Committee Assistant

Conferees appearing before the committee:

Eric Stafford, AGC

Others attending:

To read testimony submitted by conferees go to  
<http://skyways.lib.ks.us/government/KansasSenateCommerceCommittee>.

Chairperson Brownlee recognized Eric Stafford representing AGC to request a bill introduction. Mr. Stafford stated he was requesting a bill regarding Mechanics Lien notification. He presented written copy of his request. (Attachment 1) which can be found in its entirety on the link listed above.

**Senator Barone moved the request for a bill. Senator Reitz seconded. Motion carried.**

Chairperson adjourned the meeting at the rail at 3:00 p.m. with the next scheduled meeting February 8, 2008 at 8:30 a.m. in room 123 S.

845-34  
Eric

**PROPOSED BILL**  
**REGARDING MECHANIC'S LIEN NOTIFICATION**  
**SENATE COMMITTEE ON COMMERCE**

February 8, 2008

By Eric Stafford, Associated General Contractors of Kansas, Inc.

**New Statute K.S.A. 60-1103c. Supplier's Liens: Commercial Property**

(a) **Definitions.** As used in this Act,

(1) "Commercial property" means a new structure or pre-existing structure which is not constructed for use or used as a single or double family residence.

(2) "Original contractor" means any contractor who has a direct contractual relationship with the owner.

(3) "Subcontractor" means any person who furnishes labor, equipment materials or supplies pursuant to a contract directly with an original contractor.

(4) "Supplier" means any person who furnishes labor, equipment, materials or supplies pursuant to a contract directly with a subcontractor. For the purposes of this act anyone who has a contract with a subcontractor is considered a supplier.

(4) "Preliminary twenty day notice" means one or more written notices from a claimant that are given prior to the recording of a mechanic's lien and which are required to be given pursuant to this section.

(b) **Persons who must file a notice.** A lien for the furnishing of labor, equipment, materials or supplies in an amount in excess of \$15,000 by a supplier for the construction of or improvement to commercial property pursuant to K.S.A. 60-1103 and amendments thereto, may only be claimed if the supplier has, no more than twenty days after furnishing any such labor, equipment, materials or supplies, served on the original contractor and the subcontractor with whom the supplier has contracted for the furnishing of labor, equipment, materials or supplies, a preliminary twenty day notice providing the information required by subsection (c) below. The preliminary twenty day notice shall be served by sending the notice or a copy of the notice by certified mail.

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Attachment 1-1

- (c) **Form of the notice.** The preliminary twenty day notice shall follow substantially the following form:

**KANSAS LIEN PROTECTION NOTICE**

**This is not a lien and is not a reflection on the integrity  
of any contractor or subcontractor**

The name and address of the original contractor are:

The name and address of the subcontractor with whom the supplier has contracted are:

This preliminary lien notice has been completed by: (name of subcontractor)

Date: \_\_\_\_\_

By: \_\_\_\_\_

Address \_\_\_\_\_

Telephone number \_\_\_\_\_

You are hereby notified that the claimant has furnished or will furnish labor, equipment, materials, or supplies of the following general description:

In the construction, alteration or repair of the building, structure or improvement located at: (Insert the address, legal description or other description sufficient to identify the property)

And situated in \_\_\_\_\_ County, Kansas.

- (d) **Persons not originally filing notice.** If a supplier who is required to give a preliminary 20 day notice does not do so within 20 days of the commencement of his or her work on the project, he or she may still give the notice later but he or she will retain the right to claim a lien in excess of \$15,000 only for that portion of the labor equipment materials or supplies furnished within twenty days prior to the notice being served and any time thereafter.
- (e) **Number of notices required.** A supplier required to give a twenty day preliminary notice in order to claim a lien pursuant to K.S.A. 60-1103 and amendments thereto, need only give one notice.
- (h) **No expansion of lien rights.** Nothing in this act shall expand or create any additional rights of a person to claim a lien pursuant to K.S.A. 60-1100 or K.S.A. 60-1103 and amendments thereto or to file a claim under a bond furnished pursuant to K.S.A. 60-1111 and amendments thereto.

**New Section K.S.A. 60-1111(d)**

- (d) **Preliminary twenty day lien notice.** No supplier may file a claim in excess of \$15,000 under a public works bond provided pursuant to K.S.A. 60-1111, unless such person has served a twenty day preliminary notice as described in K.S.A. 60-1103c on the an original contractor required to obtain the bond pursuant to K.S.A. 60-1111. Service shall be made by certified mail.