
SENATE BILL No. 139

DIGEST OF INTRODUCED BILL

Citations Affected: IC 32-28-3-1.5

Synopsis: Mechanic's lien. Prohibits a subcontractor from obtaining a mechanic's lien if the subcontractor knows or should know that the general contractor is defaulting on payments to the subcontractor or another subcontractor.

Effective: July 1, 2003.

Kenley

January 7, 2003, read first time and referred to Committee on Judiciary.

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First Regular Session 113th General Assembly (2003)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2002 Regular or Special Session of the General Assembly.

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SENATE BILL No. 139



A BILL FOR AN ACT to amend the Indiana Code concerning property.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 32-28-3-1.5 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2003]: **Sec. 1.5. (a) A subcontractor may not have a lien under**
4 **this chapter for any:**
5 (1) labor;
6 (2) services;
7 (3) material; or
8 (4) machinery;
9 **provided after the subcontractor knows or reasonably should know**
10 **that the general contractor is not making payments for work**
11 **performed to the subcontractor or another subcontractor.**
12 (b) **This section applies solely to a current project for which the**
13 **subcontractor is providing:**
14 (1) labor;
15 (2) services;
16 (3) material; or
17 (4) machinery.



1 **A subcontractor may not be prevented from obtaining a lien under**
2 **this chapter on a current project due to a general contractor's**
3 **failure to make payments to the subcontractor or another**
4 **subcontractor for work performed on previous unrelated projects.**
5 **SECTION 2. [EFFECTIVE JULY 1, 2003] IC 32-28-3-1.5, as**
6 **added by this act, applies to work performed by a subcontractor**
7 **after June 30, 2003.**

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