

DISCLAIMER: The information contained in this document is an interpretive summary of the private and public works construction lien statutes and is subject to change without notice. Levy · von Beck & Associates, P.S. strongly recommends that the user seek legal counsel before relying on this document to confirm that the information is current and accurate. This document is provided as a courtesy and, as such, Levy · von Beck & Associates, P.S. accepts no liability in connection with reliance thereon or any loss sustained by anyone using or relying on the information contained herein. The intended use of this document is to provide a framework for understanding and dealing with the construction lien statutes.

LEVY · VON BECK
& ASSOCIATES, P.S.

SANFORD R. LEVY
DAVID VON BECK*
KATIE J. COMSTOCK
SETH E. CHASTAIN
JUDY K. BROWN**
*Washington/Oregon Bars
**Washington/California Bars

ATTORNEYS AT LAW
600 University Street, Suite 3300
Seattle, WA 98101
(206) 626-5444
Fax: (206) 382-5527
www.levy-law.com

OFFICE MANAGER
DOLORES EVANS
PARALEGAL
CHESSA TACHIKI
LEGAL ASSISTANTS
TED LEVY
REBECCA BOWERS

November 3, 2015

While most states provide some type of remedy for suppliers and contractors working on construction sites, such as the filing of a lien or bond claim, a number of states place some type limitation on the amount that can be claims. For example, the State of New York, permits suppliers and contractors to file a private works lien claim within eight (8) months of their last performance. However, New York also limits the value of the lien claim to the balance of funds owed by the property owner to the general contractor at the time the lien is filed. Hence, the lien claim might not have any monetary value if it is filed after final payment is made to the general contractor.

Shown below is a list of those states and how the limitations might impact your claims. This information is subject to change as the various legislatures enact modifications to the lien statutes. Please feel free to call with any questions regarding this information. As always, please remember that lien and bond claims rights should not be construed as a guaranty of payment. Many factors, in addition to the limitations listed below, could impact your rights, so it is important to develop and maintain a reasonable credit policy, set up job accounts whenever possible, and not allow invoices to age beyond acceptable terms.

DISCLAIMER: The information contained in this document is an interpretive summary of the private and public works construction lien statutes and is subject to change without notice. Levy · von Beck & Associates, P.S. strongly recommends that the user seek legal counsel before relying on this document to confirm that the information is current and accurate. This document is provided as a courtesy and, as such, Levy · von Beck & Associates, P.S. accepts no liability in connection with reliance thereon or any loss sustained by anyone using or relying on the information contained herein. The intended use of this document is to provide a framework for understanding and dealing with the construction lien statutes.

<u>STATES</u>	<u>Situation where the claim is limited (PRIVATE WORKS PROJECTS, unless otherwise noted)</u>	<u>What the claim is limited to</u>
ALABAMA	1) Where a supplier to the general or sub does not give a preliminary notice BEFORE furnishing the materials. 2) Where the owner receives the supplier’s preliminary notice and, BEFORE the claimant’s materials are used, the owner notifies the claimant in writing that the owner will not be responsible for the price of the materials. 3) Where the claimant is not a material supplier, AND does not contract directly with the owner.	1) The unpaid balance owing to the general contractor at the time written notice of the claim is given to the owner. 2) The unpaid balance of the contract owing to the general contractor at the time written notice of the claim is given to the owner. 3) The unpaid contract balance owing to the general contractor at the time written notice of the claim is given to the owner.
COLORADO	Where the owner or reputed owner files a copy of the direct contract, or a memorandum of the contract, with the office of the county clerk and recorder of the county where the property is located.	Claims will be limited to the contract price of the direct contract.
CONNECTICUT	1) On all private projects.	The amount of the owner’s contract with the party through whom the claimant claims. The total of all lien claims are limited to the unpaid balance owed to the general contractor. Note that if the general contractor defaults, the total of all claims is limited to the unpaid balance <i>after</i>

DISCLAIMER: The information contained in this document is an interpretive summary of the private and public works construction lien statutes and is subject to change without notice. Levy · von Beck & Associates, P.S. strongly recommends that the user seek legal counsel before relying on this document to confirm that the information is current and accurate. This document is provided as a courtesy and, as such, Levy · von Beck & Associates, P.S. accepts no liability in connection with reliance thereon or any loss sustained by anyone using or relying on the information contained herein. The intended use of this document is to provide a framework for understanding and dealing with the construction lien statutes.

	2) If the owner fails to pay, an unpaid claimant may demand payment directly from the owner.	deducting the cost of completing the contract <i>and</i> any damages resulting from the general contractor's default. 2) If, after demand, the owner fails to pay within ten, the owner will be liable for interest, however the owner's liability is limited to the unpaid balance of the contract on the date the owner receives the claimant's demand.
DISTRICT OF COLUMBIA	On all private projects, unless, after a request from the subcontractor, the owner fails or refuses to give the subcontractor the requested information, or willfully gives false information.	The amount unpaid to the general at the time the claimant gives the final notice. If the owner fails or refuses to give the claimant accurate information, then the claimant will have a claim against the real property, instead of the contract funds.
FLORIDA	On all private projects, unless the owner disburses the final payment to the contractor before receiving the contractor's Final Payment Affidavit.	The total of all liens cannot exceed the amount of the direct contract.
ILLINOIS	1) Where the contractor's sworn statement given to the owner identifies the claimant's customer but does not identify the claimant. 2) On owner-occupied single family dwellings, where a sub's or supplier's notice is given more than 60 days after the claimant's first delivery.	1) The unpaid amount owed to claimant's customer as of the date the claimant serves its notice of its lien. 2) Limited if the owner has been prejudiced by making payments before receiving the notice; i.e., it is limited to the unpaid balance at the time the owner receives the preliminary notice.
INDIANA	On all private projects for claims against the contract funds.	The amount held by the owner and owed to the general contractor or the claimant's customer at the time the claimant gives its final notice.
	1) On residential projects (construction of 1-	1) Where the project is owned by an owner-builder, the

DISCLAIMER: The information contained in this document is an interpretive summary of the private and public works construction lien statutes and is subject to change without notice. Levy · von Beck & Associates, P.S. strongly recommends that the user seek legal counsel before relying on this document to confirm that the information is current and accurate. This document is provided as a courtesy and, as such, Levy · von Beck & Associates, P.S. accepts no liability in connection with reliance thereon or any loss sustained by anyone using or relying on the information contained herein. The intended use of this document is to provide a framework for understanding and dealing with the construction lien statutes.

<p style="text-align: center;">IOWA</p>	<p>and 2-family dwellings)</p> <p>2) In all cases where the claimant gives the final notice more than 90 days after last furnishing labor or materials.</p>	<p>amount is limited to the balance due the general contractor at the time the claimant’s notice is posted to the registry, and if it is posted before the balance due is paid to the general contractor or the owner-builder, then it is not limited. Where the project is <i>not</i> owned by an owner-builder, the claim is limited to the amount owed to the general at the time the owner receives the claimant’s preliminary notice, either from the registry or from the claimant.</p> <p>2) The amount owed to the contractor at the time the <i>final</i> notice is given. (If the notice is given within 90 days of claimant’s last delivery, any payments made to the general during that 90-day period will not reduce the owner’s liability to the claimant.) Note, however, that if a bond was provided by the general contractor, then the claimant’s claim will be for the full amount owed to the claimant.</p>
<p style="text-align: center;">KANSAS</p>	<p>1) If a warning statement is not required (i.e., non-residential projects).</p> <p>2) If a warning statement is required (i.e., 1-2 family owner-occupied residential projects).</p>	<p>1) The outstanding balance owed to the original contractor, plus any payments to the contractor that occurred during the three-month period for filing lien claims</p> <p>2) The outstanding balance owed to the original contractor, plus any payments to the contractor that occurred after the date the owner received the warning statement.</p>
<p style="text-align: center;">KENTUCKY</p>	<p>For claims against the contract funds on all PUBLIC WORKS projects.</p>	<p>The amount of the unpaid balance due to the contractor at the time a copy of the preliminary notice, attested to by the county clerk, is given to the public entity.</p>

DISCLAIMER: The information contained in this document is an interpretive summary of the private and public works construction lien statutes and is subject to change without notice. Levy · von Beck & Associates, P.S. strongly recommends that the user seek legal counsel before relying on this document to confirm that the information is current and accurate. This document is provided as a courtesy and, as such, Levy · von Beck & Associates, P.S. accepts no liability in connection with reliance thereon or any loss sustained by anyone using or relying on the information contained herein. The intended use of this document is to provide a framework for understanding and dealing with the construction lien statutes.

LOUISIANA	Where the general contractor does not give the Notice of Contract before starting work.	The general contractor will only be allowed to file a lien if the contract amount is less than \$25,000.
MAINE	Where the claimant has a contract with someone other than the owner and the project is either residential or a project where the owner resides on the premises.	The amount the owner owes to the general contractor at the time the preliminary notice (if needed) or lien is given, whichever is earlier.
MARYLAND	On a owner-occupied single-family residence project.	The amount of the unpaid contract funds owed by the owner to the general contractor at the time the claimant gives the preliminary notice.
MASSACHUSETTS	Where the claimant contracts with the general or a subcontractor and gives the Notice of Contract but (if the claimant contracts with a sub) fails to give the Notice of Identification.	Limited to the amount the owner owes the general (if claimant contracts with the general) or the general owes the sub (if the claimant contracts with the sub) at the time the Notice of Contract is given. A claimant who contracts with a subcontractor and gives both the Notice of Identification and the Notice of Contract will have a full-price lien.
MICHIGAN	On all private projects except condominiums, where the claimant does not have a contract with the owner and does not give the Notice of Furnishing.	The amount of the unpaid balance of the general contract. If the claimant gives the Notice of Furnishing, the claim is not so limited.
MINNESOTA	On all private projects.	The total of the liens cannot exceed the contract amount plus change orders, less payments made before receiving any preliminary notices, and excluding payments made to discharge liens or pursuant to lien waivers.
MISSISSIPPI	On all private projects, where the payments are made in reliance on either lien waivers or sworn written statements of the contractor.	The unpaid contract price at the time the first notice of lien is filed.
		The claim will be limited to the lesser of the amount that is due to the claimant, or the amount that is unpaid on the

DISCLAIMER: The information contained in this document is an interpretive summary of the private and public works construction lien statutes and is subject to change without notice. Levy · von Beck & Associates, P.S. strongly recommends that the user seek legal counsel before relying on this document to confirm that the information is current and accurate. This document is provided as a courtesy and, as such, Levy · von Beck & Associates, P.S. accepts no liability in connection with reliance thereon or any loss sustained by anyone using or relying on the information contained herein. The intended use of this document is to provide a framework for understanding and dealing with the construction lien statutes.

NEBRASKA	On all private projects.	prime contract as of the date the owner receives the claimant's Notice of the Right to Assert a Lien or a copy of the recorded lien itself.
NEVADA	On all private projects.	The lien is limited to the unpaid balance of the price agreed upon where there is a contract, or to the fair market value of the labor or materials where there is no contract.
NEW HAMPSHIRE	On all private projects, where the claimant gives the preliminary notice <i>after</i> beginning to furnish labor or materials.	The lien will be limited to the amount owed to the contractor at the time the preliminary notice is given.

DISCLAIMER: The information contained in this document is an interpretive summary of the private and public works construction lien statutes and is subject to change without notice. Levy · von Beck & Associates, P.S. strongly recommends that the user seek legal counsel before relying on this document to confirm that the information is current and accurate. This document is provided as a courtesy and, as such, Levy · von Beck & Associates, P.S. accepts no liability in connection with reliance thereon or any loss sustained by anyone using or relying on the information contained herein. The intended use of this document is to provide a framework for understanding and dealing with the construction lien statutes.

<p>NEW JERSEY</p>	<p>PRIVATE WORKS: On all projects.</p> <p>PUBLIC WORKS: On all claims against the contract funds, where the preliminary notice is filed more than 20 days after the claimant’s first performance or delivery.</p>	<p>PRIVATE WORKS: The lien amount for the general contractor or a first-tier subcontractor or supplier will be limited to the earned amount of the prime contract less any payments made prior to service of the lien. For a second tier sub or supplier, the lien is limited to the LESSER of the amount stated above, or the earned amount of the contract between the general and the sub, less any payments made prior to service of a copy of the claimant’s lien. In addition, the claimant’s claim cannot exceed the amount of claimant’s contract with its customer. Overall, if there is more than one claimant, the owner’s liability will be established at the time of the filing of the first effective lien and is limited to the contract funds the owner holds due and owing to the general contractor at the time of the filing.</p> <p>PUBLIC WORKS: If the claimant gives its preliminary notice late, it will only cover the materials supplied on or after the date the notice is filed, and the recovery amount will be limited to the amount owing to the claimant’s customer at the time when the notice is filed.</p>
<p>NEW YORK</p>	<p>PRIVATE WORKS: On all projects.</p> <p>PUBLIC WORKS: On all projects, for a claim against the contract funds.</p>	<p>PRIVATE WORKS: A subcontractor’s (and presumably a supplier’s) lien amount is limited to the amount owed to the general contractor by the owner at the time the notice of lien is filed. A sub-subcontractor’s claim is limited to the amount owed to the first-tier subcontractor.</p> <p>PUBLIC WORKS: A subcontractor’s or supplier’s claim against the contract funds is limited to the amount due or to become due to the general contractor.</p>
<p>NORTH CAROLINA</p>	<p>On all claims by a subcontractor or supplier that arise only through subrogation.</p>	<p>The subcontractor or supplier’s subrogated claim is limited to the rights of the general contractor, and therefore cannot be</p>

DISCLAIMER: The information contained in this document is an interpretive summary of the private and public works construction lien statutes and is subject to change without notice. Levy · von Beck & Associates, P.S. strongly recommends that the user seek legal counsel before relying on this document to confirm that the information is current and accurate. This document is provided as a courtesy and, as such, Levy · von Beck & Associates, P.S. accepts no liability in connection with reliance thereon or any loss sustained by anyone using or relying on the information contained herein. The intended use of this document is to provide a framework for understanding and dealing with the construction lien statutes.

		greater than the amount owed to the general.
NORTH DAKOTA	On all private works projects.	The lien is limited to the difference between the price paid by the owner and the price or value of the contribution. If the owner has paid the full price or value of the contribution, no lien is allowed.
OHIO	On all condominium or one- or two-family dwelling projects.	The amount unpaid to the general contractor at the time the claimant’s lien is filed. Furthermore, the sum total of all the liens filed cannot exceed the amount owed to the general contractor.
OKLAHOMA	On all private works projects.	The claim is limited to the unpaid balance owed to the general contractor.
OREGON	On all private works projects.	Contractors’ and subcontractors’ claims are limited to the unpaid balance at the time the claimant’s lien is filed, after deducting claims of all other parties for work done and material furnished.
PENNSYLVANIA	On all private projects where the subcontractor has notice of the contract amount, or where the general contract is filed with prothonotary.	Subcontractors’ lien claims will be limited to their pro-rata share of the contract amount remaining unpaid at the time the first notice of intention to file a claim is given to the owner.
SOUTH	<p>PRIVATE WORKS:</p> <p>1. Lien Claims.</p> <p>a. Where a Notice of Commencement is filed <i>and</i> the sub-subcontractor or supplier to a subcontractor does not give the preliminary notice.</p> <p>b. Where Notice of Commencement is not filed.</p>	<p>PRIVATE WORKS:</p> <p>1. Lien Claims a. The lien cannot exceed the amount owed by the general contractor to the subcontractor (the claimant’s customer). In addition, the total of all liens on a project cannot exceed the amount due by the owner. If the preliminary notice is given, then the lien amount is limited to the amount owed to the general contractor at the time the notice is given..</p> <p>b. There is no limit on the lien amount.</p>

DISCLAIMER: The information contained in this document is an interpretive summary of the private and public works construction lien statutes and is subject to change without notice. Levy · von Beck & Associates, P.S. strongly recommends that the user seek legal counsel before relying on this document to confirm that the information is current and accurate. This document is provided as a courtesy and, as such, Levy · von Beck & Associates, P.S. accepts no liability in connection with reliance thereon or any loss sustained by anyone using or relying on the information contained herein. The intended use of this document is to provide a framework for understanding and dealing with the construction lien statutes.

<p>CAROLINA</p>	<p>2. Bond Claims</p> <p>a. Where a Notice of Commencement is filed <i>and</i> the sub-subcontractor or supplier to a subcontractor does not give the preliminary notice.</p> <p>b. Where no Notice of Commencement is filed.</p> <p>PUBLIC WORKS:</p> <p>a. Where a Notice of Commencement is filed <i>and</i> the claimant does not give the preliminary notice.</p> <p>b. Where no Notice of Commencement is filed.</p> <p>c. Where the public body fails to obtain a payment bond.</p>	<p>2. Bond Claims</p> <p>a. The lien cannot exceed the amount owed by the general contractor to the subcontractor (the claimant’s customer) at the time the claimant gives the final notice. If the preliminary notice is given, then any payments made to the claimant’s customer will not reduce the amount recoverable by the claimant. The total of all claims can never exceed the bond amount.</p> <p>b. The total of all claims cannot exceed the bond amount.</p> <p>PUBLIC WORKS:</p> <p>a. The claim cannot exceed the amount due to the claimant’s customer. If the claimant gives the preliminary notice, then no payment the contractor makes after receiving the notice will reduce the amount recoverable by the claimant. In all cases, however, the aggregate amount of all claims against the bond cannot exceed the penal sum of the bond.</p> <p>b. The claims are not limited to the amount owed to the contractor, though the total of all claims cannot exceed the amount of the bond.</p> <p>c. The claimant’s claim is limited to the unpaid balance of the general contract at the time the claimant notifies the government of the general contractor’s nonpayment.</p>
	<p>PUBLIC WORKS: On all claims against the contract funds.</p>	<p>PUBLIC WORKS: If the claimant’s Notice of Claim (final notice) is not filed timely, then the claim will be limited to</p>

DISCLAIMER: The information contained in this document is an interpretive summary of the private and public works construction lien statutes and is subject to change without notice. Levy · von Beck & Associates, P.S. strongly recommends that the user seek legal counsel before relying on this document to confirm that the information is current and accurate. This document is provided as a courtesy and, as such, Levy · von Beck & Associates, P.S. accepts no liability in connection with reliance thereon or any loss sustained by anyone using or relying on the information contained herein. The intended use of this document is to provide a framework for understanding and dealing with the construction lien statutes.

SOUTH DAKOTA		amount due to the general contractor at the time of filing. If, however, the claimant misses the 20-day deadline, the claimant can apparently preserve his or her claim in full if he or she obtains from the general contractor a signed and verified settlement and statement of the claimant's account.
TENNESSEE	All private projects, including oil, gas and mineral leases.	The total of all liens cannot exceed the contract price and extras in the contract between the owner and the prime contractor.
TEXAS	1) For all non-residential liens, where the claimant follows the procedures but does not include the 'fund-trapping' language in the preliminary notice. 2) On all private projects where the claimant specially fabricates materials but gives its preliminary notice late.	1) The lien will be limited to the retainage. If the language is included, the owner is required to withhold funds from the contract to cover claimant's claim. If the owner fails to do so, the lien will be against the real property. 2) The claimant cannot make a claim for materials fabricated but not delivered.
VERMONT	On all private projects.	The claimant's lien is limited to the amount of the contract price still unpaid at the time the owner receives the claimant's preliminary notice, or, when the notice is not required, at the time the claimant files his or her lien.
VIRGINIA	1) On all private projects. a) Where the contractor and/or subcontractor is unlicensed but has knowledge of the licensing requirements b) Where the contractor and/or subcontractor is licensed, or is unlicensed and unaware of the licensing requirements.	1) All private projects a) They have no lien rights. In addition, those supplying labor or materials to the unlicensed contractor or subcontractor will not have lien rights either, because a claimant's lien rights are limited to the amount owed to his or her customer. b) The claim of a person supplying labor or materials to such a subcontractor cannot exceed the amount for which the subcontractor could file its claim.

DISCLAIMER: The information contained in this document is an interpretive summary of the private and public works construction lien statutes and is subject to change without notice. Levy · von Beck & Associates, P.S. strongly recommends that the user seek legal counsel before relying on this document to confirm that the information is current and accurate. This document is provided as a courtesy and, as such, Levy · von Beck & Associates, P.S. accepts no liability in connection with reliance thereon or any loss sustained by anyone using or relying on the information contained herein. The intended use of this document is to provide a framework for understanding and dealing with the construction lien statutes.

	<p>2) On all private projects where the claimant wishes to make the owner personally liable for the debt.</p> <p>3) On all residential projects.</p>	<p>2) The amount recoverable will be limited to the amount the owner owes the general contractor (or the general contractor owes the subcontractor) at the time the owner or general contractor receives the claimant’s final notice. In addition, the claim of a person supplying labor or materials to a subcontractor cannot exceed the amount for which the subcontractor could file its claim.</p> <p>3) If the claimant’s preliminary notice is given late, then the claim will be limited to labor and materials furnished on or after the date the notice was given.</p>
WASHINGTON	<p>1) On all projects involving the repair or remodel of an owner-occupied existing single-family residence or garage.</p> <p>2) On all other projects.</p>	<p>1) Where the claimant does not contract directly with the owner-occupier or the owner-occupier’s agent, the claimant’s lien is limited to the amount not yet paid to the prime contractor at the time the preliminary notice is received, regardless of whether amounts not yet paid to the prime contractor are due.</p> <p>2) If the preliminary notice is given late, then it will only relate back 60 days (for a non-residential project) or 10 days (for a residential project) from the date the notice is mailed or received.</p>
WEST VIRGINIA	<p>On projects involving either an existing single-family dwelling, a residence being constructed by the owner to become the owner’s primary residence, or the property is a single-family owner-occupied dwelling.</p>	<p>The lien may be limited to the amount owed to the owner when the final notice is given.</p>
WISCONSIN	<p>Private works, claim against the real property.</p>	<p>If a sub or supplier claimant’s preliminary notice is given later than 60 days after the first delivery of labor or materials, then it will only cover labor or materials supplied after the owner receives the notice.</p>

DISCLAIMER: The information contained in this document is an interpretive summary of the private and public works construction lien statutes and is subject to change without notice. Levy · von Beck & Associates, P.S. strongly recommends that the user seek legal counsel before relying on this document to confirm that the information is current and accurate. This document is provided as a courtesy and, as such, Levy · von Beck & Associates, P.S. accepts no liability in connection with reliance thereon or any loss sustained by anyone using or relying on the information contained herein. The intended use of this document is to provide a framework for understanding and dealing with the construction lien statutes.

The information contained in this document is an interpretive summary of the private and public works construction lien statutes and is subject to change without notice. Levy · von Beck & Associates, P.S. strongly recommends that the user seek legal counsel before relying on this document to confirm that the information is current and accurate. This document is provided as a courtesy and, as such, Levy · von Beck & Associates, P.S. accepts no liability in connection with reliance thereon or any loss sustained by anyone using or relying on the information contained herein. The intended use of this document is to provide a framework for understanding and dealing with the construction lien statutes.