

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1495 Session of
2012

INTRODUCED BY WARD, BAKER, EARLL, WAUGH, SOLOBAY, FOLMER,
ALLOWAY, McILHINNEY, EICHELBERGER, FONTANA, FERLO, SMUCKER,
MENSCH AND RAFFERTY, MAY 31, 2012

REFERRED TO LABOR AND INDUSTRY, MAY 31, 2012

AN ACT

1 Amending the act of August 24, 1963 (P.L.1175, No.497), entitled
2 "An act to codify, amend, revise and consolidate the laws
3 relating to mechanics' liens," further providing for right to
4 lien and amount and for discharge of lien on payment into
5 court or entry of security.

6 The General Assembly of the Commonwealth of Pennsylvania
7 hereby enacts as follows:

8 Section 1. Section 301 of the act of August 24, 1963
9 (P.L.1175, No.497), known as the Mechanics' Lien Law of 1963, is
10 amended to read:

11 Section 301. Right to Lien; Amount; Subcontractor.--[Every]
12 (a) General rule. Except as provided under subsection (b),
13 every improvement and the estate or title of the owner in the
14 property shall be subject to a lien, to be perfected as herein
15 provided, for the payment of all debts due by the owner to the
16 contractor or by the contractor to any of his subcontractors for
17 labor or materials furnished in the erection or construction, or
18 the alteration or repair of the improvement, provided that the
19 amount of the claim, other than amounts determined by

1 apportionment under section 306(b) of this act, shall exceed
2 five hundred dollars (\$500).

3 (b) Subcontractor. A subcontractor does not have the right
4 to a lien with respect to an improvement to a residential
5 property if:

6 (1) the owner or tenant paid the full contract price to the
7 contractor; and

8 (2) the property is or is intended to be used as the
9 residence of the owner or tenant.

10 Section 2. Section 510 heading of the act is amended and the
11 section is amended by adding a subsection to read:

12 Section 510. Discharge of Lien [on Payment into Court or
13 Entry of Security].--

14 * * *

15 (f) Residential property. A claim filed under this act with
16 respect to an improvement to a residential property subject to
17 section 301(b) shall, upon petition or motion to the court by
18 the owner or a party in interest, be discharged as a lien
19 against the property when:

20 (1) the owner or tenant has paid the full contract price to
21 the contractor; or

22 (2) the lien shall be reduced to the amount of the unpaid
23 contract price owed by the owner or tenant to the contractor.

24 Section 3. This act shall take effect in 60 days.