



A KCA Construction Industry Article of Interest:

**“PENNSYLVANIA MECHANICS’ LIEN LAW AMENDMENTS
FOR DUMMIES”**

By Joseph J. Bosick, Esquire

The Amendments to the Pennsylvania Mechanics’ Lien Law apply to non-residential construction projects of \$1,500,000 or more when an owner files a *voluntary* **Notice of Commencement**. If the owner fails to file a Notice of Commencement, the old rules apply.

Assuming an owner files a Notice of Commencement in the Pennsylvania State Construction Notices Directory, then the subcontractor *must* file a **Notice of Furnishing** within forty-five (45) days of first performing work or supplying materials. [Note that if a subcontractor fails to file a Notice of Furnishing in a timely manner, it forfeits its mechanics’ lien rights.]

Within forty-five (45) days after completion of work, the owner *may* file a **Notice of Completion** in the Pennsylvania State Construction Notices Directory. Thereafter, any subcontractor or supplier who has not received a full payment *may* file a **Notice of Nonpayment**. [Note that the filing of a Notice of Completion and Notice of Nonpayment are not mandatory.]

To perfect a mechanics' lien claim, the subcontractor or supplier must comply with the same notice and procedural requirements that have long been in effect.

The Pennsylvania Mechanics' Lien Law Amendments benefit the parties involved in a construction project as follows:

- Owners can protect against paying a general contractor and thereafter facing a mechanics' lien claim by a subcontractor who has not been paid in full by the contractor;
- General Contractors will benefit by having second-tier subcontractors identified and with this knowledge might be able to avoid defending and indemnifying the owner from a mechanics' lien claim from a sub-subcontractor;
- Subcontractors and suppliers will benefit because owners will provide payment bond information in the Notice of Commencement.

Under the title "Prohibition" found at 49 Pa. C.S. §1501.6 it is unlawful to require a subcontractor not to file a Notice of Furnishing as a condition of entering into, continuing, receiving or maintaining a contract for work or furnishing of materials on a searchable project. A person that violates §1501.6 commits a misdemeanor of the second degree.

The new Amendments to the Pennsylvania Mechanics' Lien Law are found at 49 Pa. C.S. §§1201, 1501.1 to 1501.6.

JOSEPH J. BOSICK SERVES AS CHAIR OF THE CONSTRUCTION PRACTICE CONSORTIUM OF THE PIETRAGALLO LAW FIRM. JOSEPH CAN BE REACHED AT 412-263-1828 OR jib@Pietragallo.com.