

AN ACT

Codification  
District of  
Columbia  
Official Code

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IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend An Act To establish a code of law for the District of Columbia to permit a contractor to file a Notice of Mechanic’s Lien during the construction of a project, to reduce the number of sureties or bonds necessary to allow the court to release a mechanic’s lien, and to increase the time period a contractor has to object or comment on a written undertaking filed by a property owner.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “Mechanics Lien Amendment Act of 2012”.

Sec. 2. Chapter Forty of An Act To establish a code of law for the District of Columbia, approved March 3, 1901 (31 Stat. 1384; D.C. Official Code § 40-301.01 *et seq.*), is amended as follows:

(a) Section 1238(a)(1) (D.C. Official Code § 40-301.02(a)(1)) is amended by striking the phrase “within 90 days” wherever it appears and inserting the phrase “during the construction or within 90 days” in its place.

Amend  
§ 40-301.02

(b) Section 1254 (D.C. Official Code § 40-303.16) is amended to read as follows:  
“Sec. 1254. Payment into court and release.

Amend  
§ 40-303.16

“(a) In any suit to enforce a lien under this chapter, the owner of the building and premises to which the lien may have attached may be allowed to either:

“(1) Pay into court the amount claimed by the lienor, and such additional amount, to cover interest and costs, as the court may direct; or

“(2) File a written undertaking, with one or more sureties, to be approved by the court, to the effect that he or she and they will pay the judgment that may be recovered, which may include interest and costs; provided, that:

“(A) Where the surety is to be provided by bond, only one bond shall be required; and

“(B) The judgment shall be rendered against all the persons so undertaking.

“(b) On the payment of the money into court, or the approval of the undertaking pursuant to subsection (a)(2) of this section, the property shall be released from the lien, and any money so paid in shall be subject to the final decree of the court.

“(c)(1) No undertaking pursuant to subsection (a)(2) of this section shall be approved by the court until the complainant shall have had at least 5 days notice of the defendant's intention to apply to the court for the approval, which notice shall give the name and residence of the person to be offered as surety, or persons if the court determines more than a single surety is required, and the time when the motion for the approval will be made.

“(2) Any surety shall make oath, if required, that he or she is worth, over and above all debts and liabilities, double the amount of the lien.

“(3) The complainant may appear and object to the approval.”.

Sec. 3. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

Sec. 4. Effective date.

This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), a 30-day period of Congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of Columbia Register.

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Chairman  
Council of the District of Columbia

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Mayor  
District of Columbia