VOTE YES ON SB 3496 (Sen. Villivalam)

Time Extension for Mechanics Lien

Senate Bill 3496 would extend a sunset provision by five years to P.A. 97-966 (passed in 2012 and extended in 2016) which amends section 6 of the Mechanics Lien Act (770 ILCS 60/6). Prior to the adoption of P.A. 97-966, section 6 barred the filing of a mechanics lien claim, even if all usual lien requirements were met, if the project lasted for more than three years. The amendment provides that, to obtain a lien under the Act, the work must be done or the material furnished within 3 years from beginning the work for owner-occupied residential property, and within 5 years for other types of property. Senate Bill 3496 proposes a five year sunset provision.

The purpose of the proposed law is to prevent the premature termination of lien rights for larger commercial projects when the work continues for more than three years. In the modern world of construction of larger structures, a contractor or subcontractor involved in a project that lasts longer than three years should not have lien rights forfeited because of the length of the project. Also, owners do not want to compel contractors to file lien claims within the 3 year period to protect their lien rights if there are no payment problems on the job. It is important to note, this provision would not relax any of the existing requirements that must be followed by lien claimants to perfect their claims. The value of the underlying work, the time for giving notice, and the requirement of timely recording of a claim, are all the same and unaffected by this proposal.

IMSCA asks for your support and a “yes” vote on SB 3496.