

HOUSE BILL No. 5295

November 30, 2017, Introduced by Reps. Brann, Lucido, Lilly, Maturen and Yaroch and referred to the Committee on Regulatory Reform.

A bill to amend 1980 PA 497, entitled
"Construction lien act,"
by amending section 114 (MCL 570.1114), as amended by 2016 PA 415.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 114. **(1)** A contractor does not have a right to a
2 construction lien on the interest of an owner or lessee in a
3 residential structure unless the contractor has provided an
4 improvement to the residential structure under a written contract
5 between the owner or lessee and the contractor and any amendments
6 or additions to the contract are also in writing. The contract
7 required under this section ~~shall~~**MUST** contain a statement, in type
8 no smaller than that of the body of the contract, stating all of

1 the following:

2 (a) That a residential builder or a residential maintenance
3 and alteration contractor is required to be licensed under article
4 24 of the occupational code, 1980 PA 299, MCL 339.2401 to 339.2412.
5 That an electrician is required to be licensed under article 7 of
6 the skilled trades regulation act, **2016 PA 407**, MCL 339.5701 to
7 339.5739. That a plumbing contractor is required to be licensed
8 under article 11 of the skilled trades regulation act, **2016 PA 407**,
9 MCL 339.6101 to 339.6133. That a mechanical contractor is required
10 to be licensed under article 8 of the skilled trades regulation
11 act, **2016 PA 407**, MCL 339.5801 to 339.5819.

12 (b) If the contractor is required to be licensed to provide
13 the contracted improvement, that the contractor is licensed and the
14 contractor's license number.

15 **(2) A CONTRACTOR WHO IS REQUIRED TO BE LICENSED AS PROVIDED IN**
16 **THIS SECTION SHALL DISPLAY THE LICENSE AND, IF THE CONTRACTOR IS AN**
17 **INDIVIDUAL, THE CONTRACTOR'S PERSONAL IDENTIFICATION, CONSISTING OF**
18 **AN OPERATOR'S LICENSE, CHAUFFEUR'S LICENSE, OR PERSONAL**
19 **IDENTIFICATION CARD ISSUED BY THE DEPARTMENT OF STATE, WHEN**
20 **RECORDING A CLAIM OF LIEN UNDER SECTION 111. IF THE CLAIM OF LIEN**
21 **IS NOT PRESENTED IN PERSON, THE CONTRACTOR SHALL ATTACH TO THE**
22 **CLAIM OF LIEN COPIES OF THE LICENSE AND PERSONAL IDENTIFICATION.**

23 **(3) IF A CONTRACTOR IS REQUIRED TO BE LICENSED AS PROVIDED IN**
24 **THIS SECTION, A REGISTER OF DEEDS SHALL NOT ACCEPT A CLAIM OF LIEN**
25 **TO BE RECORDED FROM THE CONTRACTOR UNLESS THE CONTRACTOR DISPLAYS**
26 **THE LICENSE AND PERSONAL IDENTIFICATION, OR ATTACHES COPIES OF THE**
27 **LICENSE AND PERSONAL IDENTIFICATION TO THE CLAIM OF LIEN, AS**

1 REQUIRED BY SUBSECTION (2).

2 (4) A CONTRACTOR WHO VIOLATES THIS SECTION IS GUILTY OF A
3 MISDEMEANOR PUNISHABLE BY IMPRISONMENT FOR NOT MORE THAN 90 DAYS OR
4 A FINE OF NOT MORE THAN \$500.00, OR BOTH.

5 Enacting section 1. This amendatory act takes effect 90 days
6 after the date it is enacted into law.