



912 Silas Deane Highway
Wethersfield, CT 06109

Tel: 860.529.6855

Fax: 860.563.0616

ccia-info@ctconstruction.org

www.ctconstruction.org

House Bill 6644, An Act Concerning Priority of Mechanic's Liens Judiciary Committee April 8, 2011

Connecticut Construction Industries Association, Inc. (CCIA) represents the commercial construction industry in the state and seeks to advance and promote a better quality of life for all citizens in the state. Formed over 40 years ago, CCIA is an organization of associations, where all sectors of the commercial construction industry work together to advance and promote their shared interests. CCIA is comprised of about 350 members, including contractors, subcontractors, suppliers and affiliated organizations representing many sectors of the construction industry. CCIA members have a long history of providing quality work for the public benefit.

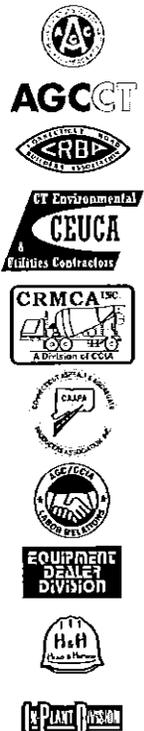
House Bill 6644, An Act Concerning Priority of Mechanic's Liens, establishes a process for the holder of a mechanic's lien who has furnished materials or rendered services to establish priority for the lien effective upon filing a "Notice of Commencement of Work" with the town clerk.

House Bill 6644, as drafted, raises several unanswered questions, such as:

- Whether the bill is necessary because a mechanism is already in place for contractors to secure payment for work performed and materials furnished in connection with construction of a building;
- appears to address a problem that does not exist;
- it could create unintended consequences; and
- it may not solve the problem it is apparently designed to address.

It is not clear what the new process House Bill 6644 would establish is designed to accomplish. Mechanic's liens are a remedy created by statute. Conn. Gen. Stat. secs. 49-33 through 49-40a and secs. 49-51 and 49-52 set forth very clear, detailed procedures for filing a mechanic's lien and notice requirements. House Bill 6644 may create confusion for parties and courts when it comes to foreclosing on a mechanic's lien and establishing priority of liens when there are several liens. Connecticut courts interpret mechanic's lien laws in a manner that will reasonably and fairly carry out the remedial intent of the statute: to furnish security for those who supply labor or materials on a project. Settled law and long-standing practice has allowed contractors to file mechanic's liens. To our knowledge, there is no controversy or problems associated with mechanic's liens.

House Bill 6644 would add another requirement, a layer that may only create confusion for contractors and owners. It may even hinder development, and the timely completion of projects and resolution of disputes that may arise out of projects. It would inject into the process an artificial priority system that would make a relatively simple process more cumbersome by imposing an additional paperwork requirement on contractors. Currently,



the first contractor to file a mechanic's lien has priority, as determined by affidavits provided by contractors demonstrating when the work began. This first-in, first-discharged lien process that has worked so well in practice for years would be turned upside down by the bill. Indeed, it may create so much confusion that only attorneys who would need to be hired to represent contractors would benefit. It could become a trap for unwary contractors and subcontractors who are well-versed in a familiar process that works.

Please contact Matthew Hallisey, CCIA Director of Government Relations and Legislative Counsel and Executive Director of Connecticut Environmental and Utilities Contractors Association at 860-529-6855, if you have any questions or if you need additional information.