

STATE OF TENNESSEE
PUBLIC CHAPTER NO. 483
SENATE BILL NO. 1417

By Ketron

Substituted for: House Bill No. 1252

By Curtiss, Hardaway

AN ACT to amend Tennessee Code Annotated, Title 47, Chapter 18; Title 47, Chapter 25; Title 62, Chapter 6 and Title 66, Chapter 34, relative to contractors' liens.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 66-11-124(b), is amended by designating the existing language as subdivision (1) and by adding the following language as a new subdivision as follows:

(2)(A) If a contractor solicits any person to sign a contract requiring the person to waive a right of lien in violation of this section, such person shall notify the state board for licensing contractors of such fact. Upon receiving such information, the executive director of the board shall notify such contractor within a reasonable time after receiving the information that the contract is against the public policy of this state and in violation of this section. If the contractor voluntarily deletes the waiver of lien provision from such contract and affirmatively states that such language will not be included in any future contracts to perform construction work in Tennessee, no further action shall be taken by the board against the contractor unless a later complaint is filed against the contractor.

(B) If the contractor does not delete the waiver of lien provision, then the executive director shall schedule a hearing for appropriate action by the board. If the board finds, after a hearing, that the contracts of the contractor are in violation of this section, such contractor's license shall be immediately revoked.

(C) Notice of such revocation shall be sent by the board to the contractor's licensing authority in all states in which such contractor is licensed as a contractor.

(D) In any action for damages based on the waiver of a right of lien filed by a person solicited by the contractor, such person shall have the right to recover from the contractor reasonable attorney's fees and cost in connection with the enforcement of such lien.

SECTION 2. This act shall take effect July 1, 2009, the public welfare requiring it.

PASSED: June 2, 2009



RON RAMSEY
SPEAKER OF THE SENATE



KENT WILLIAMS, SPEAKER
HOUSE OF REPRESENTATIVES

APPROVED this 23rd day of June 2009



PHIL BREDESEN, GOVERNOR