

WISCONSIN LEGISLATIVE COUNCIL ACT MEMO

2005 Wisconsin Act 204 [2005 Senate Bill 450]

Changes to Construction Lien Law

Act 204 makes various changes to the construction lien law set forth in subch. I of ch. 779, Stats. The Act is based on recommendations by the Lien Law Subcommittee of the Construction and Public Contract Section of the State Bar of Wisconsin. In addition to substantive revisions, many of the provisions in the Act serve to enhance the organization, clarity, and consistency of the construction lien law.

Among the provisions of Act 204 are:

- Clarifies and revises activities for which a lien may be claimed by: providing new definitions of "labor" and "materials"; revising the definition of "improvement" to real estate to include repairing or remodeling that is done on or to land for its benefit; and allowing filing of a construction lien for services, plans, or specifications for an improvement to real estate.
- Eliminates notice by a subcontractor, supplier, or prime contractor for any wholly or partly nonresidential improvement, regardless of the square footage of usable floor space that is added or provided.
- Provides that required service of notice may generally be accomplished by: personal delivery; by registered or certified mail; in the same manner that is required for service of a summons in circuit court; or by any other means of delivery in which the party receiving the notice makes written confirmation of the delivery. For publicly financed state projects, the state must be served by registered or certified mail.
- Requires a person bringing an action to enforce a construction lien on real estate to serve a copy of the claim on the owner of the real estate within 30 days after filing the claim with the circuit court.

This memo provides a brief description of the Act. For more detailed information,

consult the text of the law and related legislative documents at the Legislature's Web site at: http://www.legis.state.wi.us/.

• Expands the theft-by-contractor provision to include specified individuals who represent a business entity that is a prime contractor or subcontractor. Also makes the theft-by-contractor provision that applies to publicly financed projects parallel to that which applies to private projects.

Effective Date: April 11, 2006. The Act first applies to improvements that "visibly commence" on April 11, 2006.

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