

State of Misconsin 2019 - 2020 LEGISLATURE

LRB-3640/2 SWB:amn

2019 SENATE BILL 557

November 8, 2019 - Introduced by Senators Roth, Feyen, Cowles, LeMahieu, Olsen, Petrowski, Ringhand, Stroebel and Testin, cosponsored by Representatives Tittl, Rohrkaste, James, Kulp, Murphy, Sinicki, Spiros, Tusler and Plumer. Referred to Committee on Economic Development, Commerce and Trade.

- 1 AN ACT to amend 779.415 (1c), 779.43 (3) and 779.48 (2); and to create 779.41
- 2 (4) and 779.413 of the statutes; **relating to:** liens on aircraft and aircraft engines.

Analysis by the Legislative Reference Bureau

This bill establishes lien rights for every person, employer of a person, and keeper of a garage or shop engaged in repair, storage, servicing, or furnishing supplies or accessories for aircraft or aircraft engines or providing contracts of indemnity for aircraft and lien rights for every person or corporation, municipal or private, owning any airport, hangar, or aircraft service station and leasing hangar space for aircraft. The bill also establishes the requirements for assertion of lien rights relating to aircraft and aircraft engines.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

- **Section 1.** 779.41 (4) of the statutes is created to read:
- 5 779.41 (4) This section does not apply to liens on aircraft and aircraft engines
- 6 under s. 779.413.
- 7 **Section 2.** 779.413 of the statutes is created to read:

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779.413 Liens on aircraft and aircraft engines. (1) In this section, "aircraft" has the meaning given in s. 29.001 (6).

- (2) Every person, employer of a person, and keeper of a garage or shop engaged in repair, storage, servicing, or furnishing supplies or accessories for an aircraft or an aircraft engine or providing contracts of indemnity for an aircraft, and every person, municipal or private, owning any airport, hangar, or aircraft service station and leasing hangar space for aircraft, shall have a lien on the aircraft or aircraft engine for any reasonable charges, including charges for labor, for the use of tools, machinery, and equipment, and for all parts, accessories, materials, oils, lubricants, keep or storage fees, earned premiums, and other supplies furnished. A lien under this section shall be superior to all liens except liens for taxes, subject to compliance with sub. (3) of this section.
- (3) A lien under this section may be asserted by the retention of the aircraft or the aircraft engine, and if the lien is asserted by retention of the aircraft or aircraft engine, the lienor may not be required to surrender the aircraft or aircraft engine to the holder of a subordinate security interest or lien. If possession of the aircraft or aircraft engine is surrendered by the person claiming the lien, the person claiming the lien may do all of the following within 180 days after the repairs, storage, services, supplies, accessories, or contracts of indemnity are furnished:
- (a) Provide written notice, subscribed and sworn to by a person or by someone on the person's behalf, giving an accurate account of the demands claimed to be due, with all just credits and the name of the person to whom the repair, storage, service, supplies, accessories, or contracts or indemnity were furnished, the name of the owner of the aircraft or aircraft engine, if known, and a description of the aircraft or

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- aircraft engine sufficient for identification, by personal delivery, certified mail, or statutory overnight delivery, return receipt requested, to one of the following:
- 1. The registered owner and others holding recorded interests in the aircraft or aircraft engine at the addresses listed in the federal aviation administration's aircraft registry.
- 2. If the aircraft is not a U.S. registered aircraft or if the aircraft engine is not subject to recordation by the federal aviation administration, to the owner, if known, at his or her last known address, or, if not known, to the person to whom the repair, storage, service, supplies, accessories, or contracts of indemnity were furnished.
- (b) File the written notice for recording in the federal aviation administration's aircraft registry in the manner prescribed by federal law under 49 USC 44107, or, if the aircraft is not a U.S. registered aircraft or if the aircraft engine is not subject to recordation by the federal aviation administration, in the office of the department of financial institutions or any office authorized by the department of financial institutions as described under s. 409.501 (1) (b), or the appropriate recording authority, established by applicable state law, international treaty, or foreign law, in the manner prescribed.
 - **SECTION 3.** 779.415 (1c) of the statutes is amended to read:
- 779.415 (1c) In this section, "vehicle" has the meaning given in s. 29.001 (87), but does not include aircraft under s. 779.413 (1).
 - **SECTION 4.** 779.43 (3) of the statutes is amended to read:
 - 779.43 **(3)** Subject to sub. (4), every keeper of a garage, marina, livery or boarding stable, and every person pasturing or keeping any carriages, automobiles, boats, harness or animals, and every person or corporation, municipal or private, owning any airport, hangar or aircraft service station and leasing hangar space for

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aircraft, shall have a lien thereon and may retain the possession thereof for the amount due for the keep, support, storage or repair and care thereof until paid. But no garage or marina keeper shall exercise the lien upon any automobile or boat unless the keeper gives notice of the charges for storing automobiles or boats on a signed service order or by posting in some conspicuous place in the garage or marina a card that is easily readable at a distance of 15 feet.

Section 5. 779.48 (2) of the statutes is amended to read:

779.48 (2) Every person given a lien by ss. 779.41, 779.413, and 779.43 (3) may in case the claim remains unpaid for 2 months after the debt is incurred, and a person given a lien under s. 779.47 (2) may if the claim remains unpaid 90 days after the lien is perfected, enforce such lien by sale of the property substantially in conformity with subch. VI of ch. 409 and the lien claimant shall have the rights and duties of a secured party thereunder. When such sections are applied to the enforcement of such lien the word debtor or equivalent when used therein shall be deemed to refer to the owner of the property and any other person having an interest shown by instrument filed as required by law or shown in the records of the department of transportation, and the word indebtedness or equivalent shall include all claims upon which such lien is based.