



A KCA Construction Industry Article of Interest:

Big Changes to the PA Lien Law Took Effort in 2017

By Jason A. Copley & Daniel Fierstein of Cohen Seglias Pallas Greenhall & Furman PC

By now, you may have already heard from us about the amendments to the Pennsylvania Mechanics' Lien Law, but it is time for an update since they are now in effect. We have explained the changes in depth in prior issues of this newsletter and on our blog. (All past articles can be found on our website www.cohenseglias.com.) Now, the long-anticipated Pennsylvania State Construction Notices Directory is up and running with over 30 searchable projects listed.

A few things to keep in mind are that the Directory is for projects costing more than \$1.5 million, and it is optional for owners to register such projects. If an owner registers a project, all subcontractors and suppliers on the project must file a Notice of Furnishing within 45 days of commencing work or first providing materials to retain their lien rights. Subcontractors and suppliers that fail to file their Notice of Furnishing within 45 days of commencing their work on the registered projects will lose their lien rights.

The prior lien notice rules remain in place, so subcontractors and suppliers must still provide owners with written notice of their intention to file a lien claim at least 30 days before filing a lien on the subject property, with a lien being required within 6 months of last work. In other words, if an owner registers a project, there are front-end Notice of Furnishing requirements and back-end Notice of Intent to Lien requirements, together with the lien filing itself.

By clicking on a project registered on the website (<https://apps.pa.gov/scnd>), all participants on a construction project (including the general public) have access to property and contact information for the owner, contractor, and any party that has filed a Notice of Furnishing.

The Directory will: (1) help owners identify the pool of lower-tier contractors and monitor their lien risk; and (2) help lower-tier contractors and suppliers monitor the status of a project and protect their payment rights.

If you have any questions about navigating the Directory or ensuring that your lien rights are protected, we encourage you to contact counsel. Many of our attorneys will be giving seminars on this topic, and we will continue to provide updates on our construction law blog, Twitter page, and LinkedIn page.

Jason A. Copley is the Chair and Daniel E. Fierstein is an Associate in the Construction Group of Cohen Seglias Pallas Greenhall & Furman PC. They can be reached at (215) 564-1700 or jcopley@cohenseglias.com and dfierstein@cohenseglias.com.