Study J-1304 March 8, 2002

Memorandum 2002-15

Stay of Mechanic's Lien Enforcement Pending Arbitration (Comments on Revised Tentative Recommendation)

The Commission's Revised Tentative Recommendation on Stay of Mechanic's Lien Enforcement Pending Arbitration (Nov. 2001) has been circulated for comment, but we have received no input. That is not surprising, because the Commission did not receive any input on the original version of this proposal either. See Memorandum 2000-27. The topic does not seem to generate sufficient interest to elicit comments, perhaps because mechanic's liens are rarely foreclosed.

The approach in the revised tentative recommendation was, however, recommended by the Commission's mechanic's lien consultants, James Acret and Gordon Hunt, at the meeting on November 15-16, 2001. In light of their support, and the apparent lack of any opposition, we suggest that the Commission approve the proposal as a final recommendation for submission to the Legislature, unless further developments suggest otherwise. It might still be possible to incorporate the proposal in one of the mechanic's lien bills pending this year.

Respectfully submitted,

Barbara S. Gaal Staff Counsel