

Mechanics' Lien v. AB 2416:

Mechanics' Lien	AB 2416
Lien can only be filed on property <i>where the work was performed</i> .	Lien can be filed against any real or personal property of the employer, regardless of where the work was performed. Lien can be filed against a third party, who is not the employer.
Laborer must provide a 20-day preliminary notice to the property owner BEFORE recording the lien.	Employer receives only 5 days of notice before the lien is recorded.
Amount of lien is limited to the price agreed to by the lien claimant and the person who contracted for the work, or the reasonable value of the services provided, whichever is less.	Amount of lien is whatever the employee or his/her representative asserts is a good faith estimate of the wages and penalties owed – there is no cap.
Laborer, other than contractor, must record a lien within 90 days after the completion of the work or 30 days after the owner records notice of completion.	Lien must be recorded 180 days after ceasing work from the employer, even if the alleged wage violation happened years prior. Exp. Employee works for 10 years for employer. Alleged wage violation occurs in year one, but AB 2416 would allow employee to record 180 days after last day of employment – 10 years later.
Allows an innocent third party to post and record a notice of non-responsibility after knowledge of the work of improvement or preliminary notice is received.	No provision for posting or recoding notice of non-responsibility – innocent third party must incur costs and fees to have lien removed either through Labor Commissioner process or civil action.
Limited to one lien per work of improvement.	No limit on number of liens an employee can record for one wage violation.
Allows a property owner the right to petition the court to dismiss the lien.	Does not allow the property owner to petition the court for a dismissal until after requesting the employee to dismiss.
Only the laborer or contractor can record the lien.	An employee, or his/her representative, or an employee's creditor may record a lien against the employer's real or personal property or third party's property.