

AN ACT concerning civil law.

**Be it enacted by the People of the State of Illinois,  
represented in the General Assembly:**

Section 5. The Mechanics Lien Act is amended by changing Sections 5, 21, and 24 as follows:

(770 ILCS 60/5) (from Ch. 82, par. 5)

Sec. 5. Statement of contractor and ~~persons furnishing labor, services, material, fixtures, apparatus or machinery, forms or form work~~ notice to owner of owner-occupied single-family residence ~~waiver; size of type.~~

(a) It shall be the duty of the contractor to give the owner, and the duty of the owner to require of the contractor, before the owner or the owner's ~~his~~ agent, architect, or superintendent shall pay or cause to be paid to the contractor or to the contractor's ~~his~~ order any moneys or other consideration due or to become due to the contractor, or make or cause to be made to the contractor any advancement of any moneys or any other consideration, a statement in writing, under oath or verified by affidavit, of the names and addresses of all parties furnishing labor, services, material, fixtures, apparatus or machinery, or forms or form work and of the amounts due or to become due to each. Merchants and dealers in materials only shall not be required to make statements

required in this Section.

(b) The following shall apply to an owner-occupied single-family residence:

(i) Each contractor shall provide the owner or the owner's ~~his or her~~ agent, either as part of the contract or as a separate printed statement given before the owner or the owner's ~~his~~ agent makes the first payment for labor, materials, fixtures, or apparatus or machinery, the following notice in at least 10 point boldface type:

"THE LAW REQUIRES THAT THE CONTRACTOR SHALL SUBMIT A SWORN STATEMENT OF PERSONS FURNISHING LABOR, SERVICES, MATERIAL, FIXTURES, APPARATUS OR MACHINERY, OR FORMS OR FORM WORK BEFORE ANY PAYMENTS ARE REQUIRED TO BE MADE TO THE CONTRACTOR."

If the owners of the property are persons living together, the aforesaid statement is conclusively presumed given to each such owners if given to one of them.

(ii) (Blank). ~~Each subcontractor who has furnished, or is furnishing, labor, services, material, fixtures, apparatus or machinery, forms or form work in order to preserve his lien, shall notify the occupant either personally or by certified mail, return receipt requested, addressed to the occupant or his agent at the residence within 60 days from his first furnishing labor, services, material, fixtures, apparatus or machinery, forms or form work, of his agreement to do so.~~

~~The notice shall contain the name and address of the subcontractor or material man, the date he started to work or to deliver materials, the type of work done and to be done or the type of labor, services, material, fixtures, apparatus or machinery, forms or form work delivered and to be delivered, and the name of the contractor requesting the work. The notice shall also contain the following warning:~~

~~"NOTICE TO OWNER~~

~~The subcontractor providing this notice has performed work for or delivered material to your home improvement contractor. These services or materials are being used in the improvements to your residence and entitle the subcontractor to file a lien against your residence if the labor, services, material, fixtures, apparatus or machinery, forms or form work are not paid for by your home improvement contractor. A lien waiver will be provided to your contractor when the subcontractor is paid, and you are urged to request this waiver from your contractor when paying for your home improvements."~~

~~(iii) (Blank). The statement and the notices required by subdivisions (b) (i) and (b) (ii) of this Section shall be in at least 10 point boldface type. For purposes of this Section, notice by certified mail is considered served at the time of its mailing. Any notice given pursuant to subdivision (b) (ii) of this Section after 60 days by the~~

~~subcontractor, however, shall preserve his or her lien, but only to the extent that the owner has not been prejudiced by payments made before receipt of the notice.~~

(Source: P.A. 94-627, eff. 1-1-06.)

(770 ILCS 60/21) (from Ch. 82, par. 21)

Sec. 21. Subcontractor ~~Sub-contractor~~ defined; lien of subcontractor ~~sub-contractor~~; notice; size of type; service of notice; amount of lien; default by contractor.

(a) Subject to the provisions of Section 5, every mechanic, worker, or other person who shall furnish any labor, services, material, fixtures, apparatus or machinery, or forms or form work for the contractor, or shall furnish any material to be employed in the process of construction as a means for assisting in the erection of the building or improvement in what is commonly termed form or form work where concrete, cement, or like material is used in whole or in part, shall be known under this Act as a subcontractor ~~sub-contractor~~, and shall have a lien for the value thereof, with interest on such amount from the date the same is due, from the same time, on the same property as provided for the contractor, and, also, as against the creditors and assignees, and personal and legal representatives of the contractor, on the material, fixtures, or apparatus or machinery furnished, and on the moneys or other considerations due or to become due from the owner under the original contract.

(b) If the legal effect of a provision in any contract between the owner and contractor or contractor and subcontractor is that no lien or claim may be filed or maintained, or that such contractor's lien shall be subordinated to the interests of any other party, and the provision is not prohibited by this Act, such provision shall be binding if made as part of an agreement not prohibited by this Act.

(c) It shall be the duty of each subcontractor who has furnished, or is furnishing, labor, services, material, fixtures, apparatus or machinery, or forms or form work for an existing owner-occupied single family residence, in order to preserve the subcontractor's ~~his~~ lien, to notify the occupant either personally or by certified mail, return receipt requested, addressed to the occupant or the occupant's ~~his~~ agent of the residence within 60 days from the subcontractor's ~~his~~ first furnishing labor, services, material, fixtures, apparatus or machinery, or forms or form work, that the subcontractor ~~he~~ is supplying labor, services, material, fixtures, apparatus or machinery, or forms or form work provided, however, that any notice given after 60 days by the subcontractor shall preserve the subcontractor's ~~his~~ lien, but only to the extent that the owner has not been prejudiced by payments made prior to receipt of the notice. The notification shall include a warning to the owner that before any payment is made to the contractor, the owner should receive a waiver of

lien executed by each subcontractor who has furnished labor, services, material, fixtures, apparatus or machinery, or forms or form work.

The notice shall contain the name and address of the subcontractor or material supplier ~~man~~, the date the subcontractor or material supplier ~~he~~ started to work or to deliver materials, the type of work done and to be done or the type of labor, services, materials, fixtures, apparatus or machinery, or forms or form work delivered and to be delivered, and the name of the contractor requesting the work. The notice shall also contain the following warning:

"NOTICE TO OWNER

The subcontractor providing this notice has performed work for or delivered material to your home improvement contractor. These services or materials are being used in the improvements to your residence and entitle the subcontractor to file a lien against your residence if the labor, services, ~~or~~ materials, fixtures, apparatus or machinery, or forms or form work are not paid for by your home improvement contractor. A lien waiver will be provided to your contractor when the subcontractor is paid, and you are urged to request this waiver from your contractor when paying for your home improvements."

Such warning shall be in at least 10 point bold face type. For purposes of this Section, notice by certified mail is considered served at the time of its mailing.

(d) In no case, except as hereinafter provided, shall the owner be compelled to pay a greater sum for or on account of the completion of such house, building, or other improvement than the price or sum stipulated in said original contract or agreement, unless payment be made to the contractor or to the contractor's ~~his~~ order, in violation of the rights and interests of the persons intended to be benefited by this Act: Provided, if it shall appear to the court that the owner and contractor fraudulently, and for the purpose of defrauding subcontractors ~~sub-contractors~~ fixed an unreasonably low price in their original contract for the erection or repairing of such house, building, or other improvement, then the court shall ascertain how much of a difference exists between a fair price for labor, services, material, fixtures, apparatus or machinery, or forms or form work used in said house, building or other improvement, and the sum named in said original contract, and said difference shall be considered a part of the contract and be subject to a lien. But where the contractor's statement, made as provided in Section 5, shows the amount to be paid to the subcontractor ~~sub-contractor~~, or party furnishing material, or the subcontractor's ~~sub-contractor's~~ statement, made pursuant to Section 22, shows the amount to become due for material; or notice is given to the owner, as provided in Sections 24 and 25, and thereafter such subcontractor ~~sub-contract~~ shall be performed, or material to the value of the amount named in such statements or

notice, shall be prepared for use and delivery, or delivered without written protest on the part of the owner previous to such performance or delivery, or preparation for delivery, then, and in any of such cases, such subcontractor ~~sub contractor~~ or party furnishing or preparing material, regardless of the price named in the original contract, shall have a lien therefor to the extent of the amount named in such statements or notice. In case of default or abandonment by the contractor, the subcontractor ~~sub contractor~~ or party furnishing material, shall have and may enforce the subcontractor's ~~his~~ lien to the same extent and in the same manner that the contractor may under conditions that arise as provided for in Section 4 of this Act, and shall have and may exercise the same rights as are therein provided for the contractor.

(e) Any provision in a contract, agreement, or understanding, when payment from a contractor to a subcontractor or supplier is conditioned upon receipt of the payment from any other party including a private or public owner, shall not be a defense by the party responsible for payment to a claim brought under Section 21, 22, 23, or 28 of this Act against the party. For the purpose of this Section, "contractor" also includes subcontractor or supplier. The provisions of Public Act 87-1180 shall be construed as declarative of existing law and not as a new enactment.

(Source: P.A. 98-764, eff. 7-16-14.)



(770 ILCS 60/24) (from Ch. 82, par. 24)

Sec. 24. Written notice by subcontractor ~~sub-contractor~~; service; when notice not necessary; form of notice.

(a) Subcontractors ~~Sub-contractors~~, or parties furnishing labor, materials, fixtures, apparatus, machinery, or services, may at any time after making his or her contract with the contractor, and shall within 90 days after the completion thereof, or, if extra or additional work or material is delivered thereafter, within 90 days after the date of completion of such extra or additional work or final delivery of such extra or additional material, cause a written notice of his or her claim and the amount due or to become due thereunder, to be provided to the owner of record or the owner of record's agent or architect, or the superintendent having charge of the building or improvement and to the lending agency, if known, with the written notice to be sent by: (i) registered or certified mail, with return receipt requested; (ii) a nationally recognized delivery company with tracking service; or (iii) personal service. Notice shall be considered served at the time the written notice is placed with the delivery service or in the mail. The , and delivery limited to addressee only, to or personally served on the owner of record or his agent or architect, or the superintendent having charge of the building or improvement and to the lending agency, if known; and such notice shall not be necessary when the sworn

statement of the contractor or subcontractor provided for herein shall serve to give the owner notice of the amount due and to whom due, but where such statement is incorrect as to the amount, the subcontractor or material man named shall be protected to the extent of the amount named therein as due or to become due to him or her. ~~For purposes of this Section, notice by registered or certified mail is considered served at the time of its mailing.~~

The form of such notice may be as follows: To (name of owner): You are hereby notified that I have been employed by (the name of contractor) to (state here what was the contract or what was done, or to be done, or what the claim is for) under his or her contract with you, on your property at (here give substantial description of the property) and that there was due to me, or is to become due (as the case may be) therefor, the sum of \$.....

Dated at .... this .... day of ....., .....

(Signature).....

(b) The serving of notice pursuant to subsection (a) of this Section shall not constitute an admission by the lien claimant that its status is that of subcontractor if it is later determined that the party with whom the lien claimant contracted was the owner or an agent of the owner.

(Source: P.A. 94-627, eff. 1-1-06.)