

BELL NUNNALLY PARTNER RANDY LINDLEY QUOTED IN NACM ARTICLE ON MECHANICS LIEN LAWS IN TEXAS

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Partner Randall K. Lindley is quoted in the National Association of Credit Management (NACM) article “Tackle mechanic’s lien laws in Texas.” The piece explores mechanic’s lien laws in Texas – legal tools that give an unpaid party (ex. contractors, subcontractors, laborers) a security interest in a construction project. As detailed, mechanic’s lien laws are critical for protecting payments and mitigating financial risk. And to be executed properly, they require attention to detail and accuracy in terms of legal filings. But, as the article notes, “Texas stands out as one of the most challenging states in the nation for lien filings.”

Lindley is quoted throughout the article.

On the lien payment process:

Both the type of notice and the timing of the notice depend on two factors: the type of project (private or public) and the position in the construction chain (first tier, second tier or lower). On a private project, subcontractors or suppliers must typically give notice to the GC and the owner on or before the fifteenth day of the third month following the month of delivery or the performance of work (labor).

On lien payment priority:

If this claim continues to be unpaid, then the subcontractor or supplier must also file an affidavit claiming lien no later than the fifteenth day of the fourth month following the month of the last delivery or the performance of labor. Actually, this rather complicated statutory notice scheme is a tremendous benefit to creditors because, upon receipt of notice, both owners and GCs must hold funds until the lower-tier parties are paid. This makes the Texas lien laws an extremely effective tool for creditors in the construction industry.

To read the full article, please click [here](#).

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