

HB493 INTRODUCED



1 HB493
2 NW5U88T-1
3 By Representative Robbins
4 RFD: Financial Services
5 First Read: 30-Apr-24



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SYNOPSIS:

Under existing law, a person who provides labor or materials to manufacture or repair vehicles or machines of any kind has a statutory mechanic's lien on the machine after possession of the machine has been relinquished to the person for whom the work was performed, and the mechanic's common law possessory lien is therefore relinquished.

Under existing law, the statutory lien is subordinate to any Uniform Commercial Code security interests perfected prior to the time that the work was performed.

This bill would specify that a person who stores, fuels, repairs, or performs maintenance work on an aircraft has a mechanic's lien on the aircraft, subordinate to certain security interests under the Uniform Commercial Code that were perfected before the storage, fuels, repairs, or maintenance work was provided.

This bill would authorize the holder of a statutory mechanics lien on an aircraft to record the lien by filing with the Federal Aviation Administration Aircraft Registry pursuant to applicable federal requirements.

This bill would further authorize the holder of the lien to record the lien on an aircraft that is not



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29 registered in any national jurisdiction or that is
30 registered in a nation other than the United States by
31 filing with the Alabama Secretary of State subject to
32 payment of certain fees that the Secretary of State may
33 require.

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A BILL

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TO BE ENTITLED

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AN ACT

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40 Relating to mechanic's lien on aircraft; to specify
41 that a person who contributes certain materials, labor, or
42 other services to an aircraft has a mechanic's lien on the
43 aircraft; to provide that the lien shall be subordinate to
44 certain previously perfected security interests; to authorize
45 the holder of the lien to record the lien with the Federal
46 Aviation Administration; and to authorize the holder of the
47 lien to record the lien on certain aircraft with the Alabama
48 Secretary of State.

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BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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Section 1. (a) A person who stores, fuels, repairs, or
51 performs maintenance work on an aircraft has a lien on the
52 aircraft for either of the following:

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(1) The amount due under a contract for the storage,
54 fuel, repairs, or maintenance work.

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(2) If no amount is specified by contract, the
56 reasonable and usual compensation for the storage, fuel,



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57 repairs, or maintenance work.

58 (b) This section applies to a contract for storage only
59 if:

60 (1) The contract is written; or

61 (2) The contract is verbal and provides for a storage
62 period of at least 30 days.

63 (c) The lien shall be subordinate to any security
64 interest in the aircraft under the Uniform Commercial Code,
65 which security interest was perfected prior to the time the
66 storage, fuel, repairs, or maintenance work was provided,
67 unless the secured party holding the security interest
68 authorized the holder of the lien to provide the storage,
69 fuel, repairs, or maintenance work.

70 (d) A holder of a lien under this section may record
71 the lien on the aircraft by filing with the Federal Aviation
72 Administration Aircraft Registry not later than the 180th day
73 after the date of the completion of the contractual storage
74 period or the performance of the last repair or maintenance a
75 verified document in the form and manner required by
76 applicable federal laws and regulations that states all of the
77 following:

78 (1) The name, address, and telephone number of the
79 holder of the lien under this section.

80 (2) The amount due for storage, fuel, repairs, or
81 maintenance work.

82 (3) A complete description of the aircraft.

83 (4) The name and address of the owner of the aircraft
84 and the number assigned the aircraft by the Federal Aviation



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85 Administration, if known.

86 (e) A holder of a lien under this section on an
87 aircraft that is registered in a nation other than the United
88 States or that is not registered in any national jurisdiction,
89 may record the lien on the aircraft by filing with the
90 Secretary of State not later than the 180th day after the date
91 of the completion of the contractual storage period or the
92 performance of the last repair, fueling, or maintenance an
93 affidavit that states all of the following:

94 (1) The name, address, and telephone number of the
95 holder of the lien under this section.

96 (2) The amount due for storage, repairs, fuel, or
97 maintenance.

98 (3) A complete description of the aircraft.

99 (4) a. The name and last known address of the owner of
100 the aircraft and the number assigned the aircraft by the
101 applicable jurisdiction, if known.

102 b. An inaccurate address stated under this subdivision
103 does not invalidate the affidavit.

104 (5) The Secretary of State shall maintain a record of
105 information filed with the Secretary of State under this
106 section and index the records in the name of the owner of the
107 aircraft.

108 (6) The Secretary of State may establish certain fees
109 payable by the holder of the lien for filing the information
110 with the Secretary of State under this section.

111 Section 2. This act shall become effective on October
112 1, 2024.