

CHAPTER 514

LIENS; LABOR, MATERIAL

514.06	Title of vendor or consenting owner, subject to.	514.92	Veterinarian's lien.
514.08	Statement; notice; necessity for recording; contents.	514.980	Medical assistance liens; definitions.
514.71	Release.	514.981	Medical assistance lien.
		514.982	Medical assistance lien notice.
		514.985	Amounts received to satisfy lien.

514.06 TITLE OF VENDOR OR CONSENTING OWNER, SUBJECT TO.

When land is sold under an executory contract requiring the vendee to improve the same, and such contract is forfeited or surrendered after liens have attached by reason of such improvements, the title of the vendor shall be subject thereto; but the vendor shall not be personally liable if the contract was made in good faith. When improvements are made by one person upon the land of another, all persons interested therein otherwise than as bona fide prior encumbrancers or lienors shall be deemed to have authorized such improvements, in so far as to subject their interests to liens therefor. Any person who has not authorized the same may protect that person's interest from such liens by serving upon the persons doing work or otherwise contributing to such improvement within five days after knowledge thereof, written notice that the improvement is not being made at that person's instance, or by posting like notice, and keeping the same posted, in a conspicuous place on the premises. The service may be made by personal service or by certified mail to the last known address of the person doing work or otherwise contributing to the improvement. Mailed service is effective when mailed. As against a lessor no lien is given for repairs made by or at the instance of the lessee.

History: 1997 c 9 s 4

514.08 STATEMENT; NOTICE; NECESSITY FOR RECORDING; CONTENTS.

[For text of subd 1, see M.S.1996]

Subd. 2. **Statement by lien claimant; requirements.** Such statement shall be made by or at the instance of the lien claimant, be verified by the oath of some person shown by such verification to have knowledge of the facts stated, and shall set forth:

- (1) a notice of intention to claim and hold a lien, and the amount thereof;
- (2) that such amount is due and owing to the claimant for labor performed, or for skill, material, or machinery furnished, and for what improvement the same was done or supplied;
- (3) the names of the claimant, and of the person for or to whom performed or furnished;
- (4) the dates when the first and last items of the claimant's contribution to the improvement were made;
- (5) a description of the premises to be charged, identifying the same with reasonable certainty;
- (6) the name of the owner thereof at the time of making such statement, according to the best information then had;
- (7) the post office address of the claimant. (The failure to insert such post office address shall not invalidate the lien statement);
- (8) that claimant acknowledges that a copy of the statement must be served personally or by certified mail within the 120-day period provided in this section on the owner, the owner's authorized agent or the person who entered into the contract with the contractor as provided herein; and
- (9) that notice as required by section 514.011, subdivision 2, if any, was given.

When the claimant files the notice, the social security number of an individual owner or the Internal Revenue Service taxpayer identification number for an owner other than an individual is not required.

History: 1997 c 137 s 18

514.71 RELEASE.

No release of such causes of action, or any of them, or of any judgment thereon shall be valid or effectual as against such lien unless such lienholder shall join therein, or execute a release of such lien, and the claimant, or assignee of such lien, may enforce such lien by action against the person, firm, or corporation liable for such damages, and against any person who received payment for such damages, which action shall be commenced and tried in the county in which such lien shall be filed, unless ordered removed to another county by the court for cause. If the claimant shall prevail in such action, the court may allow reasonable attorneys' fees and disbursements. Such action shall be commenced within two years after the filing of such lien.

History: 1997 c 217 art 2 s 9

514.92 VETERINARIAN'S LIEN.

Subdivision 1. **Attachment.** A licensed veterinarian who performs emergency veterinary services that cost more than \$25 for animals at the request of the owner or a person in possession of the animals has a lien on the animals for the value of the services. Emergency veterinary services include surgical procedures, administering vaccines, antisera, and antibiotics, and other veterinary medicines, treatments, and services that are performed primarily to protect human health, to prevent the spread of animal diseases, or to preserve the health of the animal or animals treated.

Subd. 1a. **Filing and perfecting lien.** The veterinarian must file a lien statement in the appropriate filing office for a financing statement covering the animals to be filed under section 336.9-401 by 180 days after the last item of the veterinary service is performed. A lien does not include any veterinary services performed more than one year before the date on which the last item of the veterinary service is performed. The lien is perfected by properly filing the lien statement. Notwithstanding section 336.9-402, there is no requirement in filing to give the social security number or the Internal Revenue Service taxpayer identification number of the debtor.

Subd. 2. **Lien statement.** (a) A lien statement must be verified and state:

- (1) the name of the owner, or reputed owner, of the animals;
- (2) the name of the person for whom the veterinary services were performed;
- (3) the kind, number, and reasonable identification of animals treated;
- (4) the dates when the veterinary services were begun and finished;
- (5) the fraction of veterinary services performed that were primarily to protect human health, to prevent the spread of animal diseases, or to preserve the health of the animal or animals treated;
- (6) the reasonable value of the veterinary services rendered, or the price contracted between the parties; and
- (7) the name and address of the veterinarian claiming the lien.

(b) The provisions of section 514.74 relating to inaccuracies in lien statements apply to lien statements under this subdivision.

Subd. 3. **Enforcement of lien.** An action to enforce a perfected lien under this section must be started by one year after the date the last item of the veterinary service was performed. A perfected lien may be enforced in the manner prescribed for security interests under sections 336.9-501 to 336.9-508.

Subd. 4. **Priority of lien.** (a) A perfected veterinarian's lien under this section has priority over other liens and security interests on the same animals to the extent the veterinary services were performed primarily to protect human health, to prevent the spread of animal diseases, or to preserve the health of the animal or animals treated.

(b) A veterinarian's lien has priority over a security interest perfected before the veterinarian's lien only if the security interest is perfected after March 22, 1986.

(c) The priority among veterinarian's liens filed under this section is according to the first lien filed.

Subd. 5. **Termination.** (a) A veterinarian's lien under this section terminates:

(1) 180 days after the last item of the veterinarian's services was performed if a proper lien statement is not filed; or

(2) one year after the lien is filed if an action to enforce the lien has not been started.

(b) A filing officer may remove and destroy terminated lien statements in the same manner as provided for a financing statement under section 336.9-410.

History: 1997 c 110 s 1-6

514.980 MEDICAL ASSISTANCE LIENS; DEFINITIONS.

[For text of subd 1, see M.S.1996]

Subd. 2. Medical assistance agency or agency. "Medical assistance agency" or "agency" means the state department of human services when it provides a medical assistance benefit.

[For text of subd 3, see M.S.1996]

History: 1997 c 217 art 2 s 10

514.981 MEDICAL ASSISTANCE LIEN.

[For text of subd 1, see M.S.1996]

Subd. 2. Attachment. (a) A medical assistance lien attaches and becomes enforceable against specific real property as of the date when the following conditions are met:

(1) payments have been made by an agency for a medical assistance benefit;

(2) notice and an opportunity for a hearing have been provided under paragraph (b);

(3) a lien notice has been filed as provided in section 514.982;

(4) if the property is registered property, the lien notice has been memorialized on the certificate of title of the property affected by the lien notice; and

(5) all restrictions against enforcement have ceased to apply.

(b) An agency may not file a medical assistance lien notice until the medical assistance recipient or the recipient's legal representative has been sent, by certified or registered mail, written notice of the agency's lien rights and there has been an opportunity for a hearing under section 256.045. In addition, the agency may not file a lien notice unless the agency determines as medically verified by the recipient's attending physician that the medical assistance recipient cannot reasonably be expected to be discharged from a medical institution and return home.

(c) An agency may not file a medical assistance lien notice against real property while it is the home of the recipient's spouse.

(d) An agency may not file a medical assistance lien notice against real property that was the homestead of the medical assistance recipient or the recipient's spouse when the medical assistance recipient received medical institution services if any of the following persons are lawfully residing in the property:

(1) a child of the medical assistance recipient if the child is under age 21 or is blind or permanently and totally disabled according to the supplemental security income criteria;

(2) a child of the medical assistance recipient if the child resided in the homestead for at least two years immediately before the date the medical assistance recipient received medical institution services, and the child provided care to the medical assistance recipient that permitted the recipient to live without medical institution services; or

(3) a sibling of the medical assistance recipient if the sibling has an equity interest in the property and has resided in the property for at least one year immediately before the date the medical assistance recipient began receiving medical institution services.

(e) A medical assistance lien applies only to the specific real property described in the lien notice.

[For text of subs 3 to 6, see M.S.1996]

History: 1997 c 217 art 2 s 11

514.982 MEDICAL ASSISTANCE LIEN NOTICE.

Subdivision 1. **Contents.** A medical assistance lien notice must be dated and must contain:

(1) the full name, last known address, and social security number of the medical assistance recipient;

(2) a statement that medical assistance payments have been made to or for the benefit of the medical assistance recipient named in the notice, specifying the first date of eligibility for benefits;

(3) a statement that all interests in real property owned by the persons named in the notice may be subject to or affected by the rights of the agency to be reimbursed for medical assistance benefits; and

(4) the legal description of the real property upon which the lien attaches, and whether the property is registered property.

Subd. 2. Filing. Any notice, release, or other document required to be filed under sections 514.980 to 514.985 must be recorded or filed in the office of the county recorder or registrar of titles, as appropriate, in the county where the real property is located. Notwithstanding section 386.77, the agency shall pay the applicable filing fee for any document filed under sections 514.980 to 514.985. An attestation, certification, or acknowledgment is not required as a condition of filing. If the property described in the medical assistance lien notice is registered property, the registrar of titles shall record it on the certificate of title for each parcel of property described in the lien notice. If the property described in the medical assistance lien notice is abstract property, the recorder shall file the medical assistance lien in the county's grantor-grantee indexes and any tract indexes the county maintains for each parcel of property described in the lien notice. The recorder shall return recorded medical assistance lien notices for abstract property to the agency at no cost. If the agency provides a duplicate copy of a medical assistance lien notice for registered property, the registrar of titles shall show the recording data for the medical assistance lien notice on the copy and return it to the agency at no cost. The filing or mailing of any notice, release, or other document under sections 514.980 to 514.985 is the responsibility of the agency.

History: 1997 c 217 art 2 s 12,13

514.985 AMOUNTS RECEIVED TO SATISFY LIEN.

Amounts received by the agency to satisfy a medical assistance lien filed by the agency must be deposited in the state treasury and credited to the fund from which the medical assistance payments were made. Amounts received by a county to satisfy a medical assistance lien filed by the agency must be forwarded to the agency and deposited and credited as provided for in this section.

History: 1997 c 217 art 2 s 14