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1 **HOUSE BILL NO. 752**

2 Offered January 14, 2026

3 Prefiled January 13, 2026

4 *A BILL to amend and reenact §§ 43-3, 43-4, and 43-20 of the Code of Virginia, relating to mechanics' liens;*  
5 *liens attaching to property; memorandum of lien.*

6 Patron—Runion

7 Committee Referral Pending

8 **Be it enacted by the General Assembly of Virginia:**9 **1. That §§ 43-3, 43-4, and 43-20 of the Code of Virginia are amended and reenacted as follows:**10 **§ 43-3. Lien for work done and materials furnished; waiver of right to file or enforce lien.**11 A. All persons performing labor or furnishing materials of the value of \$150 or more, including the  
12 reasonable rental or use value of equipment, for the construction, removal, repair or improvement of any  
13 building or structure permanently annexed to the freehold, and all persons performing any labor or furnishing  
14 materials of like value for the construction of any railroad, shall have a lien, if perfected as hereinafter  
15 provided, upon such building or structure, and so much land therewith as shall be necessary for the  
16 convenient use and enjoyment thereof, and upon such railroad and franchises for the work done and materials  
17 furnished, subject to the provisions of § 43-20. ~~But when the claim is for repairs or improvements to existing  
18 structures only, no lien shall attach to the property repaired or improved unless such repairs or improvements  
19 were ordered or authorized by the owner, or his agent.~~

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22 If the building or structure being constructed, removed or repaired is part of a condominium as defined in  
23 § 55.1-1900 or under the Horizontal Property Act (§ 55.1-2000 et seq.), any person providing labor or  
24 furnishing material to one or more units or limited common elements within the condominium pursuant to a  
25 single contract may perfect a single lien encumbering the one or more units which are the subject of the  
26 contract or to which those limited common elements pertain, and for which payment has not been made. All  
27 persons providing labor or furnishing materials for the common elements pertaining to all the units may  
28 perfect a single lien encumbering all such condominium units. Whenever a lien has been or may be perfected  
29 encumbering two or more units, the proportionate amount of the indebtedness attributable to each unit shall  
30 be the ratio that the percentage liability for common expenses appertaining to that unit computed pursuant to  
31 subsection D of § 55.1-1964 bears to the total percentage liabilities for all units which are encumbered by the  
32 lien. The lien claimant shall release from a perfected lien an encumbered unit upon request of the unit owner  
33 as provided in subsection B of § 55.1-1908 upon receipt of payment equal to that portion of the indebtedness  
34 evidenced by the lien attributable to such unit determined as herein provided. In the event the lien is not  
35 perfected, the lien claimant shall upon request of any interested party execute lien releases for one or more  
36 units upon receipt of payment equal to that portion of the indebtedness attributable to such unit or units  
37 determined as herein provided but no such release shall preclude the lien claimant from perfecting a single  
38 lien against the unreleased unit or units for the remaining portion of the indebtedness.

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59 Nothing contained herein shall be construed to prevent the filing of a mechanics' lien under the provisions  
60 of subsection A, or require the lien claimant to elect under which subsection the lien may be enforced.

61 C. Any right to file or enforce any mechanics' lien granted hereunder may be waived in whole or in part at  
62 any time by any person entitled to such lien, except that a general contractor, subcontractor, lower-tier  
63 subcontractor, or material supplier may not waive or diminish his lien rights in a contract in advance of  
64 furnishing any labor, services, or materials. A provision that waives or diminishes a general contractor's,  
65 subcontractor's, lower-tier subcontractor's, or material supplier's lien rights in a contract executed prior to  
66 providing any labor, services, or materials is null and void. In the event that payments are made to the  
67 contractor without designating to which lot the payments are to be applied, the payments shall be deemed to  
68 apply to any lot previously sold by the developer such that the remaining lots continue to bear liability for an  
69 amount up to but not exceeding the amount set forth in any disclosure statement filed under the provisions of  
70 subsection B.

71 D. A person who performs labor without a valid license or certificate issued by the Board for Contractors  
72 pursuant to Chapter 11 (§ 54.1-1100 et seq.) of Title 54.1, or without the proper class of license for the value  
73 of the work to be performed, when such a license or certificate is required by law for the labor performed  
74 shall not be entitled to a lien pursuant to this section.

75 **§ 43-4. Perfection of lien by general contractor; recordation and notice.**

76 A general contractor, or any other lien claimant under §§ 43-7 and 43-9, in order to perfect the lien given  
77 by § 43-3, provided such lien has not been barred by § 43-4.01 C, shall file a memorandum of lien at any time  
78 after the work is commenced or material furnished, but not later than 90 days from the last day of the month  
79 in which he last performs labor or furnishes material, and in no event later than 90 days from the time such  
80 building, structure, or railroad is completed, or the work thereon otherwise terminated. The memorandum  
81 shall be filed in the clerk's office in the county or city in which the building, structure or railroad, or any part  
82 thereof is located. The memorandum shall show the names and addresses of the owner of the property sought  
83 to be charged, and of the claimant of the lien, the amount and consideration of his claim, the time or times  
84 when the same is or will be due and payable, and the date from which interest is claimed, verified by the oath  
85 of the claimant, or his agent, including a statement declaring his intention to claim the benefit of the lien, and  
86 giving a brief description of the property on which he claims a lien. The memorandum shall also contain the  
87 claimant's license or certificate number issued by the Board for Contractors pursuant to Chapter 11  
88 (§ 54.1-1100 et seq.) of Title 54.1, if any, and the date such license or certificate was issued and the date such  
89 license or certificate expires. It shall be the duty of the clerk in whose office the memorandum is filed to  
90 record and index the same as provided in § 43-4.1, in the name of the claimant of the lien and of the owner of  
91 the property. From the time of such recording and indexing all persons shall be deemed to have notice  
92 thereof. A lien claimant who is a general contractor, and not lien claimants under §§ 43-7 and 43-9, also shall  
93 file along with the memorandum of lien, a certification of mailing of a copy of the memorandum of lien on  
94 the owner of the property at the owner's last known address. The cost of recording the memorandum shall be  
95 taxed against the person found liable in any judgment or decree enforcing such lien. ~~The lien claimant may  
96 file any number of memoranda but no memorandum filed pursuant to this chapter shall include sums due for  
97 labor or materials furnished more than 150 days prior to the last day on which labor was performed or  
98 material furnished to the job preceding the filing of such memorandum. However, any~~ Any memorandum  
99 may include (i) sums withheld as retainages with respect to labor performed or materials furnished at any  
100 time before it is filed, but not to exceed 10 percent of the total contract price and (ii) sums which are not yet  
101 due because the party with whom the lien claimant contracted has not yet received such funds from the owner  
102 or another third party. The time limitations set forth herein shall apply to all labor performed or materials  
103 furnished on construction commenced on or after July 1, 1980. An inaccuracy in the memorandum as to the  
104 claimant's license or certificate number, if any, the date such license or certificate was issued, or the date such  
105 license or certificate expires shall not bar a person from perfecting a lien if the claimant can otherwise be  
106 reasonably identified in the records of the Board for Contractors.

107 **§ 43-20. Extent of lien where owner has less than fee in land.**

108 ~~Subject to the provisions of § 43-3, if the person who shall cause a building or structure to be erected or  
109 repaired owns less than a fee simple estate in the land, then only his interest therein shall be subject to liens  
110 created under this chapter. When the vendee under a contract for the sale of real estate causes a building or  
111 structure to be erected or repaired on the land which is the subject of the contract and the owner has actual  
112 knowledge of such erection or repairs, the interest of the owner in the land shall be subject to liens created  
113 under this chapter; and for the purposes of § 43-21, the interest of such an owner in the land, to the extent of  
114 the unpaid purchase price, shall be deemed to be a recorded purchase money deed of trust lien created at the  
115 time the contract of sale was fully executed. As used in this section, "a contract for the sale of real estate"  
116 shall not include a lease of real estate containing an option to purchase the leased real estate or an option to  
117 purchase real estate unless the option is enforceable against the optionee.~~