

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

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SENATE BILL 2010  
Judiciary I Committee Substitute Adopted 6/19/06

Short Title: Aircraft Mechanics' Lien.

(Public)

Sponsors:

Referred to:

May 26, 2006

1 A BILL TO BE ENTITLED  
2 AN ACT TO ESTABLISH A STATUTORY LIEN FOR UNPAID LABOR, SKILL,  
3 OR MATERIALS ON AN AIRCRAFT AND FOR UNPAID STORAGE OF AN  
4 AIRCRAFT.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. Chapter 44A of the General Statutes is amended by adding a  
7 new Article to read:

8 "Article 5.

9 "Aircraft Labor and Storage Liens.

10 "**§ 44A-50. Definitions.**

11 As used in this Article, the following terms mean:

- 12 (1) Aircraft. – As the term is defined in G.S. 63-1(3), or any engine, part,  
13 component, or accessory, whether affixed to or separate from the  
14 aircraft.
- 15 (2) Lienor. – A person entitled to a lien under this Article.
- 16 (3) Owner. – As the term is defined in G.S. 44A-1(3) for an aircraft, or  
17 any person authorized by an owner, as defined in G.S. 44A-1(3), to  
18 perform, contract, or arrange for the provision of labor, skill, materials,  
19 or storage with respect to any aircraft.
- 20 (4) Person. – Any individual, corporation, association, partnership,  
21 whether limited or general, limited liability company, or other entity.

22 "**§ 44A-55. Persons entitled to a lien on an aircraft.**

23 Any person who has expended labor, skill, or materials on an aircraft or has  
24 furnished storage for an aircraft at the request of its owner has a lien on the aircraft  
25 beginning on the date the expenditure of labor, skill, or materials or the storage  
26 commenced, for the contract price for the expenditure of labor, skill, or materials or for  
27 the storage, or, in the absence of a contract price, for the reasonable worth of the  
28 expenditure of labor, skill, or materials, or of the storage. The lien under this section  
29 survives even if the possession of the aircraft is surrendered by the lienor.

1 "§ 44A-60. Notice of lien on an aircraft.

2 (a) The lien under G.S. 44A-55 expires 90 days after the date the lienor  
3 voluntarily surrenders possession of the aircraft, unless the lienor, prior to the expiration  
4 of the 90-day period, files a notice of lien in the office of the clerk of court of the county  
5 in which the labor, skill, or materials were expended on the aircraft, or the storage was  
6 furnished for the aircraft.

7 (b) The notice of lien shall state all of the following:

8 (1) The name of the lienor.

9 (2) The name of the registered owner of the aircraft, if known.

10 (3) The name of the person with whom the lienor entered into a contract  
11 for labor, skill, or materials on the aircraft, or storage of the aircraft.

12 (4) A description of the aircraft sufficient for identification.

13 (5) The amount for which the lien is claimed.

14 (6) The dates upon which the expenditure of labor, skill, materials, or  
15 storage was commenced and completed, or, if not completed, the date  
16 through which the claimed amount is calculated.

17 (c) The notice of lien shall be sworn to or affirmed, and subscribed by the lienor,  
18 or by someone on the lienor's behalf having personal knowledge of the facts.

19 (d) The notice of lien shall be in substantially the following form:

20 'NOTICE OF LIEN ON AIRCRAFT

21  
22 [Lienor] Lienor, v. [Owner] Owner

23 Notice is hereby given that [Lienor](name) claims a lien upon  
24 [aircraft](describe the aircraft) for labor, skill, or materials expended on, and for  
25 storage furnished for, this aircraft; that the name of the registered owner or reputed  
26 owner, if the aircraft is not registered or the registered owner is not known, is  
27 [Owner](name), that the labor, skill, or materials were expended on the aircraft  
28 commencing the \_\_\_ day of \_\_\_, and storage was furnished on the aircraft  
29 commencing the \_\_\_ day of \_\_\_, and the labor, skill, materials, and storage furnished by  
30 the lienor [was completed] [is ongoing] on the \_\_\_ day of \_\_\_; that 90 days have not  
31 elapsed since the aircraft was released by the lienor; that the amount lienor demands for  
32 the labor, skill, materials, and storage furnished, as of the date hereof is  
33 \$ \_\_\_ (amount); that no part thereof has been paid except \$ \_\_\_ (amount); and that  
34 there is now due and remaining unpaid, after deducting all credits and offsets, the sum  
35 of \$ \_\_\_ (amount), in which amount [Lienor](name) claims a lien upon the aircraft.

36  
37  
38 (Signed) \_\_\_\_\_ (Lienor)

39 Address of Lienor \_\_\_\_\_

40  
41 State of North Carolina

42 County of \_\_\_\_\_

43  
44 Sworn to (or affirmed) and subscribed before me this day by [name of principal].

1 Date: \_\_\_\_\_ [Official Signature of Notary]  
2 \_\_\_\_\_ [Notary's printed or typed name], Notary Public  
3 \_\_\_\_\_ My Commission Expires:[Date]

4 [Official Seal]

5 **"§ 44A-65. Notice of lien filed by the clerk of court.**

6 Upon presentation of a notice of lien pursuant to this Article, the clerk of court shall  
7 file the notice of lien and shall index the notice of lien in a record maintained by the  
8 clerk for that purpose.

9 **"§ 44A-70. Priority of a lien on an aircraft.**

10 The lien under this Article shall have priority over perfected and unperfected  
11 security interests.

12 **"§ 44A-75. Termination of a lien on an aircraft.**

13 Any lien under this Article shall be terminated upon receipt by the lienor of the full  
14 amount owed for the labor, skill, or materials on the aircraft, and for storage of the  
15 aircraft, which amount shall not be limited to any amount shown on the notice of lien  
16 filed under G.S. 44A-60, if a notice of lien has been filed by the lienor. Upon receipt of  
17 the amount owed, the lienor or the lienor's agent shall release the aircraft to the owner, if  
18 the aircraft is in the possession of the lienor, and shall, within 20 days following a  
19 request in writing by the aircraft owner, file with the clerk of court a notice of  
20 satisfaction of lien, if a notice of lien has been filed by the lienor. A notice of  
21 satisfaction of lien shall state that the amount owed for the lienor's expenditure of labor,  
22 skill, or materials on the aircraft, and for the storage of the aircraft, has been paid and  
23 the lien against the aircraft has been terminated. The notice of satisfaction of lien shall  
24 be sworn to or affirmed, and subscribed by the lienor or by someone on the lienor's  
25 behalf having personal knowledge of the facts. Upon the filing of a notice of satisfaction  
26 of lien, the clerk of court shall make an entry of acknowledgment of satisfaction in the  
27 index. The owner of the aircraft may also file with the clerk of court any written  
28 document that shows or tends to show the nonexistence, satisfaction, or termination of  
29 the lien, which written document shall also be indexed by the clerk of court in the index.

30 **"§ 44A-80. Fees.**

31 (a) The clerk of court may charge for filing any document under this section a fee  
32 of twelve dollars (\$12.00) for the first four pages, plus one dollar (\$1.00) for each  
33 additional page.

34 (b) The clerk of court may charge a fee for furnishing a certified copy of any  
35 document filed with the clerk of court under this section. The amount of the fee shall be  
36 the same as the fee received for furnishing certified copies of any other instruments  
37 recorded by the clerk of court.

38 **"§ 44A-85. Enforcement of lien by sale.**

39 A lien filed under this Article may be enforced in accordance with G.S. 44A-4, and  
40 the proceeds of sale shall be applied as set forth in G.S. 44A-5.

41 **"§ 44A-90. Title of purchaser.**

42 (a) A purchaser for value at a properly conducted sale under this Article, and a  
43 purchaser for value without constructive notice of a defect in the sale, whether or not the

1 purchaser is the lienor or an agent of the lienor, acquires title to the property free of any  
2 interests over which the lienor was entitled to priority.

3 (b) Upon the completion of a sale conducted under this Article, the lienor or a  
4 person acting on behalf of the lienor, who conducted the sale shall furnish to the  
5 purchaser for value a bill of sale for the aircraft signed by the person who conducted the  
6 sale that includes a statement that the sale was conducted in accordance with this  
7 Article."

8 **SECTION 2.** G.S. 44A-2(a) reads as rewritten:

9 "(a) Any person who tows, alters, repairs, stores, services, treats, or improves  
10 personal property other than a motor vehicle or an aircraft in the ordinary course of his  
11 business pursuant to an express or implied contract with an owner or legal possessor of  
12 the personal property has a lien upon the property. The amount of the lien shall be the  
13 lesser of

14 (1) The reasonable charges for the services and materials; or

15 (2) The contract price; or

16 (3) One hundred dollars (\$100.00) if the lienor has dealt with a legal  
17 possessor who is not an owner.

18 This lien shall have priority over perfected and unperfected security interests."

19 **SECTION 3.** This act becomes effective October 1, 2006, and applies to  
20 labor, skills, or materials furnished on an aircraft, or storage provided for an aircraft, on  
21 or after that date.