

HOUSE BILL NO. 469

INTRODUCED BY FITZPATRICK, GLIMM

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A BILL FOR AN ACT ENTITLED: "AN ACT AUTHORIZING PARTIES TO A CONSTRUCTION LIEN TO ENTER INTO ARBITRATION TO SETTLE DISPUTES RELATING TO THE CONSTRUCTION LIEN."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Arbitration of lien disputes. (1) The parties to a construction lien created under this part may agree prior to the creation of the construction lien or at any time after the construction lien is created to enter into arbitration if a dispute arises between the parties with respect to the construction lien. Arbitration entered into pursuant to this section is subject to the Uniform Arbitration Act, Title 27, chapter 5.

(2) THE PROVISIONS OF SUBSECTION (1) DO NOT PROHIBIT A PARTY FROM SUBSTITUTING A BOND FOR THE CONSTRUCTION LIEN AS PROVIDED IN 71-3-551. UPON THE FILING OF THE BOND, THE CONSTRUCTION LIEN IS DISCHARGED AS PROVIDED IN 71-3-552. THE PARTIES MAY CONTINUE WITH ARBITRATION IF THEY AGREE TO DO SO.

NEW SECTION. Section 2. Codification instruction. [Section 1] is intended to be codified as an integral part of Title 71, chapter 3, part 5, and the provisions of Title 71, chapter 3, part 5, apply to [section 1].

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