

38-7-2.5 Failure to notify -- Effect -- Penalty.

- (1)
- (a) A person who fails to meet the notice requirements of Subsections 38-7-2(1) and (2) is precluded from receiving an award of costs and attorneys' fees from the person against whom a notice of lien has been filed in an action to enforce the lien if costs and attorneys' fees are authorized by contract or statute.
 - (b) Subsection (1)(a) does not create a right to costs and attorneys' fees.
- (2) In addition to the penalties provided in Subsection (1)(a), a lien claimant who, within 20 days from the date of receiving notice of noncompliance with the notice requirements of Subsection 38-7-2(1) or (2), willfully refuses to release the notice of lien or record the lien in compliance with Section 38-7-2 is liable to the person against whom the notice of lien was filed for \$1,000 or for treble damages, whichever is greater.
- (3) Failure to meet the notice requirements of Subsections 38-7-2(1) and (2) does not:
- (a) invalidate any lien arising at common law or in equity or by any statute of this state; or
 - (b) affect the rules of priority provided in Title 70A, Chapter 9a, Uniform Commercial Code - Secured Transactions.

Amended by Chapter 252, 2000 General Session