



NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 203

ADOPTED

AMENDMENT NO. 3
(to be filled in by
Principal Clerk)

H203-ARU-23 [v.4]

Page 1 of 2

Comm. Sub. [YES]
Amends Title [NO]
Second Edition

Date June 27, 2012

Senator Apodaca

1 moves to amend the bill on page 3, line 50 by deleting the word "file" and substituting the
2 words "present for filing"; and

3
4 on page 4, lines 5-12 by rewriting those lines to read:

5 "(b) In the case of a record presented for filing, if the entity receiving the filing has a
6 reasonable suspicion that the lien or encumbrance is false, the entity may refuse to file the lien
7 or encumbrance. No entity shall be liable for filing or refusing to file a lien or encumbrance
8 under this section. If the filing of the lien or encumbrance is denied, the entity shall allow the
9 filing of a Notice of Denied Lien Filing on a form approved by the Administrative Office of the
10 Courts. The Notice of Denied Lien Filing shall not itself constitute a lien or encumbrance. If
11 the filing of the lien or encumbrance is denied, any interested person may file a special
12 proceeding in the county where the filing was denied within ten (10) business days of the filing
13 of the Notice of Denied Lien Filing asking the court to find that the proposed filing has a
14 statutory or contractual basis and to order that the document be filed. If, after hearing, upon a
15 minimum of five (5) days' notice and opportunity to be heard to all interested persons and all
16 persons claiming an ownership interest in the property, the court finds that there is a statutory
17 or contractual basis for the proposed filing, the court shall order the document filed. A lien or
18 encumbrance, other than a lien filed pursuant to Chapter 44A of the General Statutes, filed
19 upon order of the court under this subsection shall have a priority interest as of the time of the
20 filing of the Notice of Denied Lien Filing. A lien filed pursuant to Chapter 44A of the General
21 Statutes upon order of the court under this subsection shall be deemed to have been filed when
22 originally presented for filing, and shall have a priority interest as set forth in Chapter 44A of
23 the General Statutes. If the court finds that there is no statutory or contractual basis for the
24 proposed filing, the court shall order that the proposed filing is null and void and that it shall
25 not be filed, indexed, docketed or recorded and a copy of that order shall be filed by the entity
26 that originally denied the filing. The review by the judge under this subsection is a ministerial
27 act only and shall not be deemed a finding as to any underlying claim of the parties involved. If
28 a special proceeding is not filed under this subsection within ten (10) business days of the filing
29 of the Notice of Denied Lien Filing, the lien or encumbrance is deemed null and void."; and

30
31 on page 4, lines 18, by rewriting the line to read:

32 "THIS STATE.



* H 2 0 3 - A R U - 2 3 - V - 4 *

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- 1 (d) In addition to any criminal penalties provided for in this section, a violation of this
2 section shall constitute a violation of G.S. 75-1.1.""; and
3
4 On page 4, line 48, by deleting the words "Sections 1 and 2" and substituting the words
5 "Section 1, 2 and 7".

SIGNED


Amendment Sponsor

SIGNED

Committee Chair if Senate Committee Amendment

ADOPTED

49-0

FAILED

TABLED

Sarah Clapp
6.27.12

ADOPTED