

Due to legislation which replaced Lien Law § 21(5) in 2002 (Chap. 582), application to the Court to fix correct bond amounts and a specific court order to discharge the public improvement lien due to a bond are no longer necessary. Now a 110% bond from an authorized surety served on the adverse party and filed with the agency is sufficient to “discharge the lien.” The following Notice to the agency is one method to start the process to accomplish the discharge of the lien and to release contract funds being held by the agency due to the lien filing.

NOTICE TO GOVERNMENT AGENCY AS TO PUBLIC IMPROVEMENT LIEN BOND

PURSUANT TO LIEN LAW § 21(5)*

To: *The Chief Financial Officer or Legal Counsel of
Office of Municipal Agency or State Comptroller or other Public Agency*

Lien Docket Division

Street Address

Anywhere, New York Zip Code

From: *Attorney for Owner or Contractor*

Street Address

Anywhere, New York Zip Code

Re: *Bond to Discharge a Public Improvement Lien*

Name of Lienor _____

Name of Contractor _____

1. *On or about* _____, 2010 *the Subcontractor Company, Street Address, Anywhere, New York Zip Code*, filed a notice of lien upon a public improvement in the sum of \$10,000 dollars with your office concerning contract/project #. (See lien Exhibit G hereto).

2. Pursuant to Lien Law § 21(5)(a), a Mechanic’s Lien Bond from [Name of Surety] in the sum of \$11,000 dollars [110% of the lien sum] is separately enclosed to discharge said lien. (Exhibit H).

3. A Certificate of Qualification authorized by the New York State Superintendent of Insurance (Exhibit I-1) and an appropriate resolution of the board of directors of said surety are attached to the Bond (Exhibit I-2).

4. Said Certification of Qualification has not been revoked as duly noted by the surety’s authorized representative (Exhibit J) [may not be necessary if language already in board of directors’ resolution].

5. An exact copy of the Bond and all attachments have also been served upon the adverse party (lienor). See affidavit of service (Exhibit K).