

BILL SUMMARY
1st Session of the 52nd Legislature

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| Bill No.: | SB 573 |
| Version: | Engrossed |
| Author: | Representative Sullivan/ Senator Coates |
| Date: | March 16, 2009 |
| Impact: | \$0 |

Bill Summary

Research Analyst: Arnella Karges

Engrossed SB 573 amends the Fair Pay for Construction Act by creating a new section of law to establish an optional method for contractors or subcontractors to submit a bond to an owner or prime contractor and then allow for full payment of the work performed. The title is stricken on Engrossed SB 573

Fiscal Summary

Fiscal Analyst: Terry McKenna

ESB 573 relates to the Fair Pay for Construction Act. The measure provides that in lieu of retainage, a prime contractor, subcontractor or sub-subcontractor may execute and deliver to the owner, prime contractor or subcontractor before the commencement of construction a good and sufficient release of retainage bond in an amount equal to ten percent (10%) of the contract or subcontract price. The bond must be approved by the owner, prime contractor or subcontractor entitled to withhold retainage.

Fiscal Analysis

In its present form, ESB 573 has no impact on state revenues or resources.

Long Term Fiscal Considerations

None

Fiscal Analysis Reviewed By:

Janice Buchanan

House Fiscal Director