## HOUSE BILL 1574

State of Washington65th Legislature2017 Regular SessionBy Representatives Rodne and Kilduff

Read first time 01/24/17. Referred to Committee on Judiciary.

1 AN ACT Relating to construction contracts; and adding a new 2 section to chapter 4.24 RCW.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 4.24 RCW 5 to read as follows:

6 (1) Any clause in a construction contract, as defined in RCW 7 4.24.370, which purports to waive, release, or extinguish the claim rights of a contractor, subcontractor, or supplier to damages or an 8 equitable adjustment based on failure to submit a claim notice or 9 10 claim-related documentation in a specified time frame or form is void 11 and unenforceable, except to the extent the party seeking to enforce 12 the clause is able to show material prejudice as a result of 13 noncompliance.

14 (2) Subsection (1) of this section does not apply to any 15 contractual requirement that a lawsuit, arbitration, or other similar 16 alternative dispute resolution procedure be commenced within a 17 reasonable time period, which shall be no fewer than one hundred 18 eighty calendar days following the completion or termination of a 19 contract.

20 (3) For the purposes of this section, "claim" means any demand or 21 assertion by a party to a construction contract seeking, as a matter

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of right, adjustment, or interpretation of contract terms, payment of money, extension of time, or other relief with respect to the terms of the contract. "Claim" includes other disputes and matters in question between the parties to a construction contract arising out of or relating to the contract. The responsibility to substantiate a claim rests with the claimant.

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