

SB 6036 - DIGEST

(SEE ALSO PROPOSED 1ST SUB)

Requires that any contract entered into between any person furnishing labor, professional services, materials, or equipment and the owner to construct, alter, repair, or remodel residential property must contain the following provisions: (1) That subcontractors must provide the same notice the owner receives from material suppliers under RCW 60.04.031;

(2) That each time the owner makes a payment to the prime contractor, the prime contractor shall provide to the owner within five days of payments to subcontractors, suppliers, and laborers notice detailing what subcontractors, suppliers, and laborers were paid, how much, and for what work. The prime contractor shall also include with the notice copies of cancelled checks to the subcontractors, suppliers, or laborers or other evidence that the subcontractors, suppliers, and laborers were paid; and

(3) That failure to follow any provision in the contract waives the lien rights the prime contractor may have against the owner's property and constitutes a breach of contract relieving the owner of any further obligations under the contract.

Provides that if an owner has paid a prime contractor for certain work to be done by a subcontractor, or for materials, equipment, or labor to be provided, and the prime contractor has not paid either the subcontractor or for the materials, equipment, or labor in a timely manner, the lien that the prime contractor, subcontractor, supplier, or laborer may file against the owner's property is limited to the amount the owner still owes the prime contractor under the contract.

Provides that when a subcontractor, supplier, or laborer does work for a prime contractor who does not pay for the work done by the subcontractor, supplier, or laborer and, as a result, the subcontractor, supplier, or laborer files a lien against the homeowner, that subcontractor, supplier, or laborer may not have a lien enforced at a later date against a homeowner if the work performed is for the same prime contractor.