

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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HOUSE BILL 1027
Committee Substitute Favorable 5/1/91

Short Title: Subcontractor Payment.

(Public)

Sponsors:

Referred to:

April 19, 1991

1 A BILL TO BE ENTITLED
2 AN ACT TO PROVIDE THAT PAYMENT OF A CONTRACTOR OR
3 SUBCONTRACTOR IS NOT A CONDITION PRECEDENT FOR PAYMENT TO
4 ANY SUBCONTRACTOR.

5 The General Assembly of North Carolina enacts:

6 Section 1. G.S. 22C-2 reads as rewritten:
7 "**§ 22C-2. Performance by subcontractor.**

8 Performance by a subcontractor in accordance with the provisions of its contract
9 shall entitle it to payment from the party with whom it contracts. Payment by the owner
10 to a contractor is not a condition precedent for payment to a subcontractor and payment
11 by a contractor to a subcontractor is not a condition precedent for payment to any other
12 subcontractor."

13 Sec. 2. This act is effective upon ratification.