

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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HOUSE BILL 1027

Short Title: Subcontractor Payment.

(Public)

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Sponsors: Representative Payne.

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Referred to: Judiciary II.

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April 19, 1991

A BILL TO BE ENTITLED

AN ACT TO PROVIDE THAT PAYMENT OF A CONTRACTOR IS NOT A  
CONDITION PRECEDENT FOR PAYMENT OF A SUBCONTRACTOR.

The General Assembly of North Carolina enacts:

Section 1. G.S. 22C-3 reads as rewritten:

**"§ 22C-3. Time of payment to subcontractors after contractor or other  
subcontractor has been paid.**

When a subcontractor has performed in accordance with the provisions of his contract, the contractor shall pay to his subcontractor and each subcontractor shall pay to his subcontractor, within seven days of receipt by the contractor or subcontractor of each periodic or final payment, the full amount received for such subcontractor's work and materials based on work completed or service provided under the subcontract. The payment by the owner to the contractor is not a condition precedent for payment to the subcontractor."

Sec. 2. This act becomes effective October 1, 1991.