

One Hundred Third Legislature - First Session - 2013

Introducer's Statement of Intent

LB373

Chairperson: Senator Steve Lathrop

Committee: Business and Labor

Date of Hearing: February 11, 2013

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 373 would amend the Nebraska Construction Prompt Pay Act to do the following:

1. Provide a definition for the term "substantially complete"
2. Require that contractors place any proceeds intended for the payment of subcontractors into a separate trust account
3. Establish a maximum cap on the amount of retainage that can be withheld
4. Provide that a contractor, owner, or subcontractor can bring an action under the Act, with attorney's fees and costs awarded to the prevailing party
5. Remove the exemption of residential property from the Act

Principal Introducer: _____

Senator Heath Mello