
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1059 Session of
2013

INTRODUCED BY GOODMAN, BARRAR, COHEN, CUTLER, DeLUCA, DENLINGER,
FRANKEL, GIBBONS, HESS, KORTZ, KOTIK, MILLARD, MOUL, READSHAW
AND THOMAS, MARCH 25, 2013

REFERRED TO COMMITTEE ON LABOR AND INDUSTRY, MARCH 25, 2013

AN ACT

1 Amending the act of February 17, 1994 (P.L.73, No.7), entitled
2 "An act requiring timely payment to certain contractors and
3 subcontractors; and providing remedies to contractors and
4 subcontractors," further providing for owner's payment
5 obligations and for contractor's and subcontractor's payment
6 obligations.

7 The General Assembly of the Commonwealth of Pennsylvania
8 hereby enacts as follows:

9 Section 1. Sections 5 and 7 of the act of February 17, 1994
10 (P.L.73, No.7), known as the Contractor and Subcontractor
11 Payment Act, are amended by adding subsections to read:

12 Section 5. Owner's payment obligations.

13 * * *

14 (e) Suspension of performance.--A contractor may, after
15 providing seven days' written notice to the party failing to
16 make the required payment, suspend performance of a construction
17 contract without penalty for breach of contract if:

18 (1) the owner has not paid as required by this section;

19 (2) the owner has not provided the contractor with a

1 written statement of the withheld amount and the reason for
2 the withholding; or

3 (3) the owner has not engaged in a good faith effort to
4 resolve the reason for withholding.

5 Section 7. Contractor's and subcontractor's payment
6 obligations.

7 * * *

8 (e) Suspension of performance.--A subcontractor may, after
9 providing seven days' written notice to the party failing to
10 make the required payments, suspend performance of a
11 construction contract without penalty for breach of contract if:

12 (1) the contractor or subcontractor has not paid as
13 required by this section;

14 (2) the contractor or subcontractor has not provided the
15 subcontractor with a written statement of the withheld amount
16 and the reason for the withholding; or

17 (3) the contractor or subcontractor has not engaged in a
18 good faith effort to resolve the reason for withholding.

19 Section 2. This act shall take effect in 60 days.