

WILLIAM DONALD SCHAEFER, Governor

Annotated Code of Maryland
(1981 Replacement Volume and 1987 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article - Real Property

SUBTITLE 6. CONSTRUCTION CONTRACTS

10-601.

(A) (1) IN THIS SECTION, THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) "CONTRACT" MEANS AN AGREEMENT OF ANY KIND OR NATURE, EXPRESS OR IMPLIED, FOR DOING WORK OR FURNISHING MATERIAL, OR BOTH, FOR OR ABOUT A BUILDING.

(3) "CONTRACTOR" MEANS A PERSON WHO HAS A CONTRACT WITH AN OWNER.

(4) "OWNER" MEANS:

(1) THE OWNER OF THE LAND; OR

(2) WHEN THE CONTRACTOR EXECUTES THE CONTRACT WITH A TENANT FOR LIFE OR FOR YEARS, THE TENANT.

(5) "SUBCONTRACTOR" MEANS A PERSON WHO HAS A CONTRACT WITH ANYONE EXCEPT THE OWNER OR HIS AGENT.

~~(B) -- ANY OWNER OR OWNER'S AGENT WHO ENTERS -- INTO -- A -- WRITTEN CONTRACT -- FOR -- ANY -- CONSTRUCTION, ALTERATION, OR RENOVATION IN AN AMOUNT WHICH EXCEEDS \$50,000 -- SHALL --~~

(B) (1) EXCEPT FOR WORK DONE OR MATERIALS FURNISHED IN CONNECTION WITH A CONTRACT ENUMERATED IN SUBSECTION (E) OF THIS SECTION, ANY CONTRACTOR OR SUBCONTRACTOR WHO UNDER A CONTRACT DOES WORK OR FURNISHES MATERIAL, IN CONNECTION WITH A CONTRACT IN EXCESS OF \$50,000 FOR THE ERECTION, REPAIR, REBUILDING, OR IMPROVEMENT OF A BUILDING SHALL BE ENTITLED TO PROMPT PAYMENT UNDER PARAGRAPH (2) OF THIS SUBSECTION.

††† (2) AN OWNER, CONTRACTOR, OR SUBCONTRACTOR SHALL:

(1) IF THE CONTRACT DOES NOT PROVIDE FOR SPECIFIC DATES OR TIMES OF PAYMENT, PAY OR MAKE ARRANGEMENTS TO PAY UNDISPUTED AMOUNTS OWED UNDER THE TERMS OF THE WRITTEN CONTRACT NOT LATER THAN 30 DAYS AFTER THE DATE WHEN THE OCCUPANCY PERMIT IS GRANTED OR THE DATE WHEN THE OWNER OR THE OWNER'S AGENT TAKES POSSESSION, WHICHEVER IS EARLIER; OR