

~~[(c)]~~(D) Services provided in accordance with subsection ~~[(b)(5)]~~ (C) of this section do not require an architect's seal.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 1994.

Approved May 26, 1994.

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CHAPTER 626

(House Bill 1012)

AN ACT concerning

**Construction Contracts – Payment by Contractor to Subcontractor**

FOR the purpose of ~~prohibiting~~ preventing a provision in certain construction subcontracts that conditions payment from a contractor to the subcontractor upon receipt of payment by the contractor from the owner or other party from abrogating or waiving the subcontractor's right to claim a mechanic's lien or sue on a contractor's bond; declaring that a contract provision made in violation of this Act is void and is against the public policy of this State; providing for the application of this Act; and generally relating to prohibited provisions in construction contracts.

BY repealing and reenacting, with amendments,

Article – Real Property

Section 9-113

Annotated Code of Maryland

(1988 Replacement Volume and 1993 Supplement)

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

**Article – Real Property**

9-113.

(a) An executory contract between a contractor and any subcontractor that is related to construction, alteration, or repair of a building, structure, or improvement may not ~~{waive}~~:

(1) ~~WAIVE~~ or require the subcontractor to waive the right to:

~~{(1)}{(f)}~~ Claim a mechanics' lien; or

~~{(2)}{(H)}~~ Sue on a contractor's bond; ~~OR~~.

(2) ~~CONTAIN A PROVISION THAT CONDITIONS PAYMENT FROM A CONTRACTOR TO A SUBCONTRACTOR UPON RECEIPT BY THE CONTRACTOR OF THE PAYMENT FROM THE OWNER OR ANY OTHER PARTY.~~