SENATE BILL 641

48TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2007

INTRODUCED BY

Carlos R. Cisneros

AN ACT

RELATING TO CONTRACTS; PROHIBITING CERTAIN AGREEMENTS MAKING PAYMENT TO ONE PARTY A CONDITION PRECEDENT TO PAYMENT OF ANOTHER PARTY FOR WORK DONE UNDER CONTRACT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

     Section 1. CONTRACTS--MAKING VOID CERTAIN PAYMENT PROVISIONS.--Payment by the owner to a contractor shall not be a condition precedent for payment to a subcontractor, and payment by a contractor to a subcontractor shall not be a condition precedent for payment to any other subcontractor. An agreement to the contrary is void, unenforceable and against the public policy of the state.

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