

Judiciary and Law Enforcement: Knapp, Chair; Holveck and McIntee.

No Pass 4/7/83

FILED MAR 4 1983

SENATE FILE 360

BY COMMITTEE ON JUDICIARY
Approved 2/2 (p. 641)
(FORMERLY SSB 51)

Passed Senate, Date 3-14-83 (p. 730) Passed House, Date 4-14-83 (p. 1326)

Vote: Ayes 40 Nays 1 Vote: Ayes 95 Nays 0

Approved May 5, 1983 (p. 1578)

A BILL FOR

1 An Act relating to defining who is entitled to claims for
2 materials furnished on public improvements.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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S.F. 360

1 Section 1. Section 573.7, Code 1983, is amended by adding
2 the following new unnumbered paragraph:

3 NEW UNNUMBERED PARAGRAPH. A person furnishing only
4 materials to a subcontractor who is furnishing only materials
5 is not entitled to a claim against the retainage or bond under
6 this chapter and is not an obligee or person protected under
7 the bond pursuant to section 573.6.

8 EXPLANATION

9 This bill limits the entitlement to claim against a re-
10 tainage or bond under chapter 573. A supplier of labor and
11 materials, or a supplier of only materials to the principal
12 contractor, or to a subcontractor which also provides labor
13 on public improvements is entitled to claim. A supplier of
14 materials to a subcontractor who only supplies materials is
15 excluded. This bill is intended to reverse Lennox Industries,
16 Inc. v. City of Davenport, 320 N.W. 2d 575 (1982).

17 This bill becomes effective Jaunary 1 following enactment.

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AN ACT
RELATING TO DEFINING WHO IS ENTITLED TO CLAIMS FOR MATERIALS
FURNISHED ON PUBLIC IMPROVEMENTS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 573.7, Code 1983, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. A person furnishing only materials to a subcontractor who is furnishing only materials is not entitled to a claim against the retainage or bond under this chapter and is not an obligee or person protected under the bond pursuant to section 573.6.

ROBERT T. ANDERSON
President of the Senate

DONALD D. AVENSON
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 360, Seventieth General Assembly.

K. MARIE THAYER
Secretary of the Senate

Approved May 5, 1983

TERRY E. BRANSTAD
Governor