

Bill No. SB 1016

Barcode 941868

CHAMBER ACTION

Senate

House

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The Committee on Regulated Industries (King) recommended the following amendment:

Senate Amendment (with title amendment)

On page 15, lines 3-16, delete those lines

and insert:

(1) Prior to a lender making any loan disbursement on any construction loan secured by residential real property directly to the owner, which, for purposes of this subsection, means only a natural person, into the owner's account or accounts, or jointly to the owner and any other party, the lender must mail, deliver by electronic mail or other electronic format or facsimile, or personally deliver ~~shall give~~ the following written notice to the borrowers in bold type larger than any other type on the page:

WARNING!

YOUR LENDER IS MAKING A LOAN DISBURSEMENT

DIRECTLY TO YOU AS THE BORROWER, OR JOINTLY TO

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1 YOU AND ANOTHER PARTY. TO PROTECT YOURSELF FROM
2 HAVING TO PAY TWICE FOR THE SAME LABOR,
3 SERVICES, OR MATERIALS USED IN MAKING THE
4 IMPROVEMENTS TO YOUR PROPERTY, BE SURE THAT YOU
5 REQUIRE YOUR CONTRACTOR TO GIVE YOU LIEN
6 RELEASES FROM EACH LIENOR WHO HAS SENT YOU A
7 NOTICE TO OWNER EACH TIME YOU MAKE A PAYMENT TO
8 YOUR CONTRACTOR.

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10 This subsection does not apply to owners of real property when
11 acting as licensed contractors pursuant to chapter 489 or as
12 developers who create parcels or offer parcels for sale or
13 lease in the ordinary course of business.

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16 ===== T I T L E A M E N D M E N T =====

17 And the title is amended as follows:

18 On page 2, line 10-13, delete those lines

19

20 and insert:

21 borrower when making a disbursement on a
22 construction loan secured by residential
23 property; providing an effective date.

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