

## STOP NOTICE

Once a Stop Notice is filed, the Department withholds funds for the amount of the claim. Listed below are steps that can be taken after a Stop Notice is filed:

- Prime contractor and the claimant resolve the Stop Notice claim and the claimant releases the Stop Notice withhold by providing the release to the Department. Provided there are no additional withholds that affect the prime contractor's payments, the Department pays the withheld funds to the prime contractor. If the Stop Notice claims are not resolved, the following may occur:
- Prime contractor submits an affidavit if the validity of the Stop Notice is challenged.
- Claimant submits a counter-affidavit within 20 days of receiving the contractor's affidavit. If a counter-affidavit is not submitted within the statutory time period and there are no other withholds that affect the prime contractor's payments, the funds withheld are released to the prime contractor.
- If an affidavit and counter-affidavit are both filed, the Stop Notice stays in effect and the Department takes no further action.
- Prime contractor or claimant may file a Declaration of Rights action with the court regarding the Stop Notice. The Department will act as directed by the court.
- If the claimant does not file an action to enforce the Stop Notice within 180 days following the prime contract acceptance date, the funds withheld are released to the prime contractor, provided there are no other withholds that affect the prime contractor's payments.