HOUSE No. 3145

The Commonwealth of Massachusetts

PRESENTED BY:

William C. Galvin

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to timely public payments for work not included in original construction contracts.

PETITION OF:

NAME:DISTRICT/ADDRESS:DATE ADDED:William C. Galvin6th Norfolk2/2/2021

HOUSE No. 3145

By Mr. Galvin of Canton, a petition (accompanied by bill, House, No. 3145) of William C. Galvin relative to timely payments for work not included in public construction contracts. State Administration and Regulatory Oversight.

[SIMILAR MATTER FILED IN PREVIOUS SESSION SEE HOUSE, NO. 2699 OF 2019-2020.]

The Commonwealth of Massachusetts

In the One Hundred and Ninety-Second General Court (2021-2022)

An Act relative to timely public payments for work not included in original construction contracts.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

- SECTION 1. Section 39G of chapter 30 of the General Laws, as appearing in the 2014
- 2 Official Edition, is hereby amended by inserting after the sixth paragraph the following
- 3 paragraph:-
- The awarding authority shall pay for all work: (1) performed pursuant to a signed Time
- 5 and Materials itemized invoice (T&Ms), Extra Work Orders (EWOs) and Notice To Proceed
- 6 (NTPs); all are contract modification, as defined in section 17 of chapter 7C, or (2) on a time and
- 7 materials basis in the manner provided by this section. Must be paid within Sixty five days. For
- 8 the purposes of this section, time and materials basis shall mean the amount of time invested in
- 9 performing the contract and the cost of the materials used in the performance of the contract.

SECTION 2. Section 39K of chapter 30 is hereby amended by adding the following paragraph:-

The awarding authority shall pay for all work performed pursuant to a signed Time and Material itemized invoice (T&Ms), Extra Work Orders (EWOs) and Notice To Proceed (NTPs); all are contract modification, as defined in section 17 of chapter 7C, or (2) on a time and materials basis in the manner provided by this section. Must be paid within Sixty five days as defined in section 17 of chapter 7C, or (2) on a time and materials basis in the manner provided by this section. For the purposes of this section, time and materials basis shall mean the amount of time invested in performing the contract and the cost of the materials used in the performance of the contract.

SECTION 3. Chapter 30 of the General Laws is hereby amended by adding the following section:-

Section 39U. Payment for Work Not Included in the Original Contract

Every contract subject to section 44A of chapter 149 or subject to section 39M of chapter 30 or subject to chapter 149A, and every subcontract or trade contract as applicable, shall provide a reasonable time period within which a written request submitted by a person seeking an increase in the contract price shall be approved or rejected, whether in whole or in part. The time period shall not exceed 30 days after the later of commencement of the performance of the work on which the request is based or submission of the written request; provided, however, that the time period, as applicable to approval or rejection by the person at each tier of contract below the owner of the project, may be extended by 7 days more than the time period applicable to the person at the tier of contract above the person. A request which is neither approved nor rejected

within such time period shall be deemed to be approved and may be submitted for payment within the next application for a periodic progress payment, unless it is rejected before the date payment if due. A rejection of a request, whether in whole or in part, shall be made in writing, shall include an explanation of the factual and contractual basis for the rejection and shall be certified as made in good faith. A rejection of a request shall be subject to the applicable dispute resolution procedure. A provision in the contract which requires a party to delay commencement of the procedure until a date later than 60 days after the rejection shall be void and unenforceable.