

Subject Building and construction contracts

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Overview

This bill modifies existing requirements for building and construction contracts for the improvement of real property (i.e., real estate), highways, roads, and bridges.

H.F. 1234 provides that prohibiting or delaying the submittal of a required invoice is contrary to public policy and unenforceable, as is any contract provision that waives the right to submit such invoices. It also requires the state and local governments to provide certain project payment details to a contractor or subcontractor upon request.

Sections 1 and 2 are coded in Minnesota Statutes, chapter 15, and applicable to state and local government construction projects. Section 3 is coded in Minnesota Statutes, chapter 337, and applies to nongovernmental building and construction projects.

Summary

Section	Description
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| 1 | <p>Payment information requests.</p> <p>Requires the state and local units of government, upon the written request of any contractor or subcontractor for a real property or highway/road/bridge improvement construction project, to provide within seven days specified information regarding any progress payment, retainage payment, final payment, or other payment made by the contracting agency. Provides that for highway construction contracts, a copy of the agency's estimate or voucher satisfies this requirement. Requires the contracting agency to post contact information for such requests on its public website. Prohibits the state and local governments from charging a contractor or subcontractor for this payment information.</p> |
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Section	Description
2	<p>Retainage.</p> <p>Provides that in the context of state or local construction contracts for the improvement of real property or highways/roads/bridges, prohibiting or delaying the submittal of a required invoice is contrary to public policy and void and unenforceable, as is any contract provision waiving the right to submit an invoice.</p>
3	<p>Progress payments and retainages.</p> <p>Provides that in the context of real property and highway/road/bridge improvement projects generally, prohibiting or delaying the submittal of a required invoice is contrary to public policy and void and unenforceable, as is any contract provision waiving the right to submit an invoice.</p>



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