

House Research Act Summary

CHAPTER: 133

SESSION: 2016 Regular Session

TOPIC: Building and construction contracts

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Overview

This act makes changes to building and construction contract requirements.

Section

- 1** **Prompt payment to subcontractors.** Clarifies that progress payments must be paid within a certain time period. Provides that if an undisputed payment is not received within ten days, work may be suspended until payment is received.

This section effective August 1, 2016.

- 2** **Progress payments and retainages.** Limits retainage on a building and construction contract to 5 percent. Clarifies that retainage is not required.

This section is effective August 1, 2016.