

# FINAL BILL REPORT

## HB 1195

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Synopsis as Enacted

**Brief Description:** Regarding payment of undisputed claims.

**Sponsors:** Representatives Haigh, Kristiansen and Hunt; by request of Capital Projects Advisory Review Board.

**House Committee on State Government & Tribal Affairs**  
**House Committee on Capital Budget**  
**Senate Committee on Government Operations & Elections**

**Background:**

Public works contracts contain various provisions covering unanticipated situations that may arise during the course of construction. Such protest and claim clauses generally require the contractor to follow specific notice requirements when seeking additional payment for extra work done and increased expenses incurred. A change from the approved scope of work requiring additional work is accomplished through a change order request. The change order must be approved by the public owner before the contractor can receive payment for the work.

**Summary:**

A state or municipality must issue a change order to a public works contract for the full dollar amount of the work not in dispute within 30 days of satisfactory completion of the additional work. Failure to do so will result in interest paid by the state or municipality on the undisputed amount at a rate of 1 percent per month.

**Votes on Final Passage:**

House	95	0
Senate	46	0

**Effective:** July 26, 2009

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*