

FINAL BILL REPORT

SSB 6192

C 199 L 24
Synopsis as Enacted

Brief Description: Addressing additional work and change orders on public and private construction projects.

Sponsors: Senate Committee on Labor & Commerce (originally sponsored by Senators King, Stanford, Mullet and Nobles).

Senate Committee on Labor & Commerce
House Committee on Capital Budget

Background: In general, a change order is an amendment to a construction contract that changes the scope of work, usually by changing the work required or adjusting the amount of time required to complete the work. On public works projects, for additional work beyond the scope of the contract, the state or municipality must issue a change order within 30 days of satisfactory completion of all or a portion of the additional work. If a change order is not issued within 30 days, the state or municipality must pay interest at a rate of 1 percent per month.

Summary: The change order requirements for public works projects are applied to private construction, except private residential projects under 12 units. Subcontractors and suppliers are also added, so that for any additional work by a contractor, subcontractor, or supplier not in dispute, a change order must be issued within 30 days after receipt from the contractor for issuance of a change order. Within ten days of receipt of a change order from the owner, state, municipality, or upper-tier contractor, the contractor or subcontractor must issue change orders to lower-tier subcontractors impacted by the change. The owner, contractor, subcontractor, state, or municipality pays their proportionate share of any interest owed for the non-issuance of a change order.

The contractor or subcontractor must request a change order within 30 days of satisfactory completion of any authorized additional work and a request by a subcontractor or supplier. A lower-tier subcontractor or supplier must request a change order from the upper-tier contractor 30 days after the completion of additional work and a request from a lower-tier

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

subcontractor. If a contractor or subcontractor has requested a change order within 30 days of a request from a subcontractor or supplier, the contractor or subcontractor is not liable for any interest on the unpaid dollar amount for any additional work completed and not in dispute if a change order has not been issued. The bill does not provide any rights to a contractor, subcontractor, or supplier against a party with whom they are not a party to a written contract.

An aggrieved party may bring a civil action for violations of the change order requirements in a court of competent jurisdiction for appropriate relief including interest and reasonable attorneys' fees and costs.

Votes on Final Passage:

Senate	48	0
House	94	0

Effective: June 6, 2024