

RCW 39.04.440 Prompt payment—Capital projects advisory review board—Considerations. In considering possible recommendations under RCW 39.04.430(1)(b), at a minimum the capital projects advisory review board shall consider:

(1) Requiring the state and local entities to pay the prime contractor within 30 days for work satisfactorily completed or materials delivered by a subcontractor of any tier that is a small business certified with the office of minority and women's business enterprises under chapter 39.19 RCW, or is recognized as a women or minority-owned business enterprise in a state of Washington port, county, or municipal small business or women or minority-owned business enterprise program;

(2) Requiring that, within 10 days of receipt of payment, the prime contractor and each higher tier subcontractor must make payment to its subcontractor until the subcontractor that is a certified small business or recognized women or minority-owned business has received payment. [2024 c 276 s 3.]

Finding—Intent—2024 c 276: "(1) The legislature finds that prompt pay requirements address the acceptable amount of time that payments must be made to contractors and subcontractors, and under what circumstances exceptions can be made. Washington state has prompt pay statutes that apply to public works commissioned by the state or local public entities such as counties, cities, towns, port districts, school districts, and other public entities in the state. These statutes intend to promote efficient implementation of public works projects by, among other things, requiring timely payment to assist contractors and subcontractors in operating their businesses and meet working capital and cash flow needs, while enabling public entities to address such things as disagreements over amounts owed, unsatisfactory performance, and noncompliance with the terms of the contract.

(2) The legislature intends to review how well prompt pay provisions are working for small businesses, particularly women and minority-owned businesses, potential improvements that could be considered, and the potential impacts on the industry any recommendations might have." [2024 c 276 s 1.]

Effective date—2024 c 276: "This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately [March 26, 2024]." [2024 c 276 s 4.]