

House File 381

H-1194

1 Amend House File 381 as follows:

2 1. By striking page 2, line 26, through page 3,  
3 line 12, and inserting:

4 <4. For a contract for private construction, if the  
5 owner fails to pay the contractor by the date payment  
6 is due pursuant to the contract, the owner shall pay  
7 interest to the contractor beginning on the first day  
8 after payment is due, computed at the rate of eighteen  
9 percent per annum.

10 5. For a contract for private construction, a  
11 contractor shall pay a subcontractor any amounts  
12 due within seven business days of whichever of the  
13 following is later:

14 a. Receipt of payment by the contractor from the  
15 owner, including payment of retainage, if retainage is  
16 released by the owner.

17 b. The date payment to the subcontractor is due  
18 pursuant to the contract.

19 6. If a contractor fails to pay a subcontractor  
20 pursuant to subsection 5, the contractor shall pay  
21 interest to the subcontractor beginning on the first  
22 business day after payment becomes due, computed at the  
23 rate of eighteen percent per annum.>

24 2. Page 3, line 13, by striking <6 and 7> and  
25 inserting <5 and 6>

26 3. Page 3, lines 28 and 29, by striking <in a  
27 contract for private construction or>

28 4. By striking page 6, line 10, through page 7,  
29 line 1, and inserting:

30 <3. For a contract for public construction, if the  
31 owner fails to pay the contractor by the date payment  
32 is due pursuant to the contract, the owner shall pay  
33 interest to the contractor beginning on the first day  
34 after payment is due, computed at the rate of eighteen  
35 percent per annum.

36 4. For a contract for public construction, a  
37 contractor shall pay a subcontractor any amounts  
38 due within seven business days of whichever of the  
39 following is later:

40 a. Receipt of payment by the contractor from the  
41 owner.

42 b. The date payment to the subcontractor is due  
43 pursuant to the contract.

44 5. If a contractor fails to pay a subcontractor  
45 pursuant to subsection 4, the contractor shall pay  
46 interest to the subcontractor beginning on the first  
47 business day after payment becomes due, computed at the  
48 rate of eighteen percent per annum.>

49 5. Page 7, line 2, by striking <6 and 7> and  
50 inserting <4 and 5>

1 6. Page 7, lines 6 and 7, by striking <in a  
2 contract for public construction or>  
3 7. By renumbering as necessary.

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COMMITTEE ON COMMERCE  
SODERBERG of Plymouth, Chairperson