



State of Connecticut

HOUSE OF REPRESENTATIVES
STATE CAPITOL
HARTFORD, CONNECTICUT 06106-1591

REPRESENTATIVE JOSHUA HALL
7TH ASSEMBLY DISTRICT

LEGISLATIVE OFFICE BUILDING, ROOM 5007
CAPITOL: (860) 240-8585
TOLL FREE: (800) 842-8267
FAX: (860) 240-0206
E-MAIL: Joshua.Hall@cga.ct.gov

MEMBER
EXECUTIVE AND LEGISLATIVE NOMINATIONS COMMITTEE
LABOR AND PUBLIC EMPLOYEES COMMITTEE
PLANNING AND DEVELOPMENT COMMITTEE

Government Administration and Elections Committee Public Hearing
Wednesday February 27, 2019
Testimony in Support of
H.B. 6666 – An Act Requiring the Prompt Payment of Contractors

Good Morning Senator Flexer, Representative Fox, Senator Sampson, Representative France, and distinguished members of the Government Administration and Elections Committee, I would like to thank you for raising House Bill No. H.B. 6666 – An Act Requiring the Prompt Payment of Contractors, and for the opportunity to offer testimony in support today.

The major issue addressed in this bill regards the prompt payment of contractors and subcontractors. This is one of the most significant issues for construction specialty trade contractors and suppliers, and has also been a recent topic of interest among lobbyists and legislatures throughout the U.S. As a result, many jurisdictions have passed “prompt pay acts”, requiring payment be made on construction contracts within specified periods of time by owners and /or contractors. Typically, the focus of these laws is geared toward the protection of subcontractors.

Our current law, Connecticut General Statute Section 42-158i – 42-158j requires the following:

- State Agencies and Project Owners must pay Prime Contractors 30 days after they are invoiced
- Prime Contractors are to pay Subcontractors 30 days after
- Subcontractors have up to 30 days to pay the lower tier Subcontractors

As a result, a 3rd tier subcontractor can be forced to wait up to 90 days to receive payment for a completed project. This is too long for a Subcontractor to have to wait to receive payment, as very often these subcontractors are small and/or minority owned businesses.

The changes proposed by this bill will allow more subcontractors to be paid within a 30-day period. This will benefit subcontractors already participating in the bidding process, as well as enable a greater number of lower tier subcontractors to begin participating as well. This also has potential for cost savings on State Construction projects due to increased competition.

This bill easily passed through this committee and the House of Representatives last year with bipartisan support, but it was never called for a vote in the Senate.

I look forward to working with you to ensure the passage of this proposal and would again like to thank the committee for the opportunity to present this testimony. I am happy to answer any questions you may have. Thank you for your consideration.

Respectfully,

A handwritten signature in black ink, appearing to read "Joshua M. Hall". The signature is fluid and cursive, with the first name "Joshua" being the most prominent part.

Representative Joshua M. Hall
7th District