OLR Bill Analysis
SB 849

AN ACT CONCERNING CHANGE ORDERS IN CONSTRUCTION CONTRACTS.

SUMMARY

This bill requires private construction contracts to require that contractors or subcontractors who perform extra work on change orders or directives totaling at least $25,000 be paid a minimum rate of overhead and profit of at least 15% of the extra work’s total value. This requirement applies to all pending or approved change orders or directives to perform extra work and the costs of all labor, direct supervision, material, and equipment needed for such work.

EFFECTIVE DATE: October 1, 2019

COMMITTEE ACTION
General Law Committee

Joint Favorable
Yea 16  Nay 0 (03/05/2019)