

# HOUSE . . . . . No. 2376

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By Mr. Manning of Milton, petition of M. Joseph Manning for legislation to expedite payments to contractors furnishing labor or labor and material to subcontractors and improving the flow of funds in the construction industry. State Administration.

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## The Commonwealth of Massachusetts

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In the Year One Thousand Nine Hundred and Ninety.

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AN ACT EXPEDITING DIRECT PAYMENTS TO SUBCONTRACTORS FURNISHING MATERIAL OR LABOR AND MATERIALS.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1 Chapter 30 of the General Laws as amended by chapter 774  
2 of the acts of 1972 is hereby further amended by adding the  
3 following new paragraph at the end of subparagraph (i) of  
4 paragraph 1 of section 39F: —

5 When an awarding authority fails to make a direct payment to  
6 a subcontractor as provided for under the terms of this section,  
7 they shall pay to the subcontractor requesting the direct payment  
8 interest on his demand at the rate of three percentage points above  
9 the rediscount rate then charged by the Federal Reserve Bank of  
10 Boston commencing with the fifteenth day after the demand is  
11 made and continuing until the payment is made to the  
12 subcontractor.

THE CONSTITUTION OF THE UNITED STATES

ARTICLE I

SECTION 1

All legislative Powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives.

Representatives and Electors in each State shall have the Qualifications requisite for Electors in that State.

Representatives and direct Taxes shall be apportioned among the several States which may be admitted into or excluded from this Union according to their respective Numbers, which shall be determined by adding to the whole Number of free Persons, including all bound Persons for Term of Years, and Indians taxed as free Persons, three fifths of all other Persons, (Males and Females of the age of sixteen and upwards) in each State.

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