FOR IMMEDIATE RELEASE
April 26, 2010

EISNAUGLE’S LOCAL GOVERNMENT PROMPT PAYMENT ACT PASSES HOUSE
~HB 1157 Prevents Local Governments from Delaying Payment for Work Well Done ~

ORLANDO – Today Representative Eric Eisnaugle’s (R-Orlando) House Bill 1157 that prevents local governments from excessively delaying payment to contractors passed the House floor 104-0. Currently, contractors working for local governments may have to wait weeks or months for payment after contract completion despite current prompt payment laws. The bill provides reasonable time periods for local governments to perform due diligence on a contractor’s work without allowing for long payment delays that harm small businesses.

“Builders and contractors who do good work deserve to be paid within a reasonable amount of time,” Said Eisnaugle. “Not six months from completion but when they meet the requirements of their contract with the locality.”

House Bill 1157 provides revisions to the current prompt payment law by requiring localities to designate a single point of contact to handle contract issues, specifying time periods processing invoice payments, and laying out a process for handling invoice disputes. Additionally, contractors would not be penalized for government delays in providing needed documentation.

“For many Florida businesses in these challenging economic times ‘payment delayed is payment denied’,” said Eisnaugle. “Employees, suppliers, and lenders can’t wait weeks or months for payment and neither can our small businesses.”

The bill now moves to the Senate.

###