

<DateSubmitted>

HOUSE OF REPRESENTATIVES
CONFERENCE COMMITTEE REPORT

Mr. President:
Mr. Speaker:

The Conference Committee, to which was referred

HB1114

By: West (Kevin) of the House and Pederson of the Senate

Title: Public buildings and public works; Public Competitive Building Act of 1974; modifying
retainage on certain public contracts; effective date.

Together with Engrossed Senate Amendments thereto, beg leave to report that we have had the
same under consideration and herewith return the same with the following recommendations:

1. That the Senate recede from its amendments; and
2. That the attached Conference Committee Substitute be adopted.

Respectfully submitted,

House Action _____ Date _____ Senate Action _____ Date _____

SENATE CONFEREES

Pederson	_____
Leewright	_____
Newhouse	_____
Stanislawski	_____
Brooks	_____
Young	_____

House Action _____ Date _____ Senate Action _____ Date _____

STATE OF OKLAHOMA

1st Session of the 57th Legislature (2019)

CONFERENCE COMMITTEE
SUBSTITUTE
FOR ENGROSSED
HOUSE BILL NO. 1114

By: West (Kevin) of the House
and
Pederson of the Senate

CONFERENCE COMMITTEE SUBSTITUTE

An Act relating to public buildings and public works;
amending 61 O.S. 2011, Section 226, which relates to
the Public Competitive Building Act of 1974;
modifying retainage on certain public contracts; and
providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 61 O.S. 2011, Section 226, is
amended to read as follows:

Section 226. A. A construction contract may include a
provision for the retainage of a portion of payment due. Such
retainage is not to exceed five percent (5%) of the amount of the
payment due. If a construction contract is subject to a bond
pursuant to this title and when the work of the contractor has been
determined by the holder to be at least fifty percent (50%)

1 complete, and with respect to the balance of the work to be
2 performed by the contractor, the retainage amount shall be two and
3 one-half percent (2.5%).

4 B. A subcontract ~~may~~ shall include a provision for the
5 retainage of a portion of payment due. Such retainage ~~is not to~~
6 shall not exceed five percent (5%) of the amount of the payment due.
7 If a construction subcontract is subject to a bond pursuant to this
8 title and when the work of the subcontractor has been determined by
9 the holder to be at least fifty percent (50%) complete, and with
10 respect to the balance of the work to be performed by the
11 subcontractor, the retainage amount shall be two and one-half
12 percent (2.5%).

13 C. No later than twenty-one (21) calendar days after a
14 certificate of substantial completion is issued for the project or
15 separate usable phase of the project and upon adequate performance
16 of the prime contractor and with approval of any applicable surety,
17 retainage shall be released by the owner to the prime contractor
18 less an amount no greater than one hundred fifty percent (150%) of
19 the estimated costs to correct any incomplete or defective work as
20 identified, itemized, and attached to the certificate of substantial
21 completion. All remaining funds shall be released as each
22 deficiency is satisfactorily completed. The prime contractor shall
23 release within ten (10) calendar days of receipt, the share of those
24 funds that have been withheld from other entities. All other

1 entities shall release within seven (7) calendar days of receipt⁷
2 the share of those funds that have been withheld from other
3 entities.

4 SECTION 2. This act shall become effective November 1, 2019.

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6 57-1-8905 LRB 05/07/19
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