AB 456 – Extends Claim Resolution Process For Claims Arising During Public Works Projects.

This bill extends the sunset date from 2020 to 2027 on an existing claim resolution process designed to address contractor claims that arise during a public works projects. The current claims process applies to “public entities” such as cities, counties, districts, and special districts. Under this claims resolution process, contractors for public works projects can submit a claim to a district relating to disputes that arise during the project. Within 45 days, the district must provide a written response, identifying the disputed and undisputed amounts of the claim. The undisputed amounts must be paid, and the contractors may demand a meet and confer conference on the remaining disputed amounts. If the claim is not resolved through the conference process, it is must be submitted to nonbinding mediation. This bill extends this claims resolution process for another seven years.

(AB 456 amends Section 9204 of the Public Contracts Code.)

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