WACA ALERT

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Act Now to Support Late-Session Push for Private Works Change Order Reform

Significant amendments have been made to **SB 440 (Ochoa-Bogh)** that reshape the bill to provide clarity and meaningful reform to how change orders are processed on private works of improvement. As amended, SB 440 mirrors the successful framework established by AB 626 (Chiu, 2016), which created timelines and procedures for handling change orders on public works projects. SB 440 now extends those same protections to private projects, where unresolved or unpaid change orders continue to cause costly delays, litigation, and financial strain for contractors.

Key reforms in SB 440 include:

- Allowing contractors to initiate the payment process for work performed outside the original contract scope.
- Requiring private project owners to review change order claims within a timely window.
- Upholding the owner's right to dispute or reject all or part of a change order claim, while requiring prompt payment of any undisputed amounts in line with California's existing prompt payment laws.
- Requiring nonbinding mediation before litigation for any disputed or denied claims (or portions thereof), encouraging early and cost-effective resolution.

By adopting these reforms, SB 440 will reduce litigation, minimize project delays, and promote greater financial fairness and predictability across California's private construction sector.

Take action today by visiting our grassroots advocacy site **and voicing your support for SB 440 Today!**

Let's bring home another major win for our industry in 2025!

👉 **[**Click here to support SB 440 now**]**