

75-6403. Prompt payment for goods and services required; interest payment penalty; rate; conditions and procedures. (a) Each government agency purchasing or contracting for goods or services from a vendor shall make prompt payment therefor, including payment of any interest penalties due, in accordance with this section.

(b) Each government agency which has received goods or services from a vendor and which does not make payment therefor as prescribed by this subsection shall be subject to an interest payment penalty if the vendor makes a request for payment in accordance with subsection (c). Each government agency shall make payment of the full amount due for such goods or services on or before the 30th calendar day after the date of receipt by the government agency of the goods and services or the date of receipt by the government agency of the bill therefor, whichever is later, unless other provisions for payment are agreed to in writing by the vendor and the government agency. No goods or services shall be deemed to be received by a government agency until all such goods or services are completely delivered and finally accepted by the government agency. For purposes of determining whether a payment was made in accordance with this subsection, a payment by a government agency shall be considered to be made on the date on which the warrant or check for such payment is dated.

(c) (1) Any vendor to which payment has not been made within the time prescribed by subsection (b) may make a written request for payment to the chief executive officer of the government agency obligated to make the payment with interest thereon. Such request shall indicate the government agency obligated to make the payment, the date of receipt of the goods or services by the government agency, the date the vendor sent the government agency the bill for such goods or services and, in the case of a state agency, such other information as may be prescribed by rules and regulations adopted under K.S.A. 75-6407.

(2) Each state agency shall forward a copy of each vendor's request for payment to the director of accounts and reports along with the voucher prepared by the state agency to make payment to the vendor, including payment of the interest penalty prescribed by this subsection. For purposes of computing the interest penalty due a vendor, the state agency shall add seven days from the date the voucher is sent to the director of accounts and reports for payment. Interest penalties on amounts due to a vendor by a state agency shall be paid to the vendor beginning on the day after the required payment date under subsection (b) and ending seven days after the voucher for payment is sent to the director of accounts and reports, except that no interest penalty shall be paid if full payment of the amount due for such goods or services is made on or before the 15th calendar day after the required payment date under subsection (b).

(3) The chief executive officer of the unified school district shall forward a copy of each vendor's request for payment to the governing body thereof, if any, along with the documents prepared to make payment to the vendor, including payment of the interest penalty prescribed by this subsection. Interest penalties on amounts due to a vendor by a unified school district shall be paid to the vendor beginning on the day after the required payment date under subsection (b) and ending on the date on which payment of the amount due is made, except that no interest penalty shall be paid if full payment of the amount due for such goods or services is made on or before the 15th calendar day after the required payment date under subsection (b).

(d) The interest penalty under this section shall be computed at the rate of 1.5% per month on the amount of the payment which is due in accordance with this section. Any amount of an interest penalty which remains unpaid at the end of any thirty-day period after the required payment date under subsection (b) shall be added to the principal amount of the debt and thereafter interest penalties shall accrue on such added amount.

(e) In the event a state agency denies liability and alleges grounds to not make payment after a vendor has requested payment therefor in accordance with subsection (c), the state agency shall inform the vendor in writing of the reasons therefor and that the vendor has the right to file a claim on the dispute with the joint committee on special claims against the state.

(f) No interest penalty shall be payable if a vendor fails to request payment in accordance with subsection (c) within four months after the payment date prescribed by subsection (b).

History: L. 1984, ch. 310, § 3; Jan. 1, 1985.