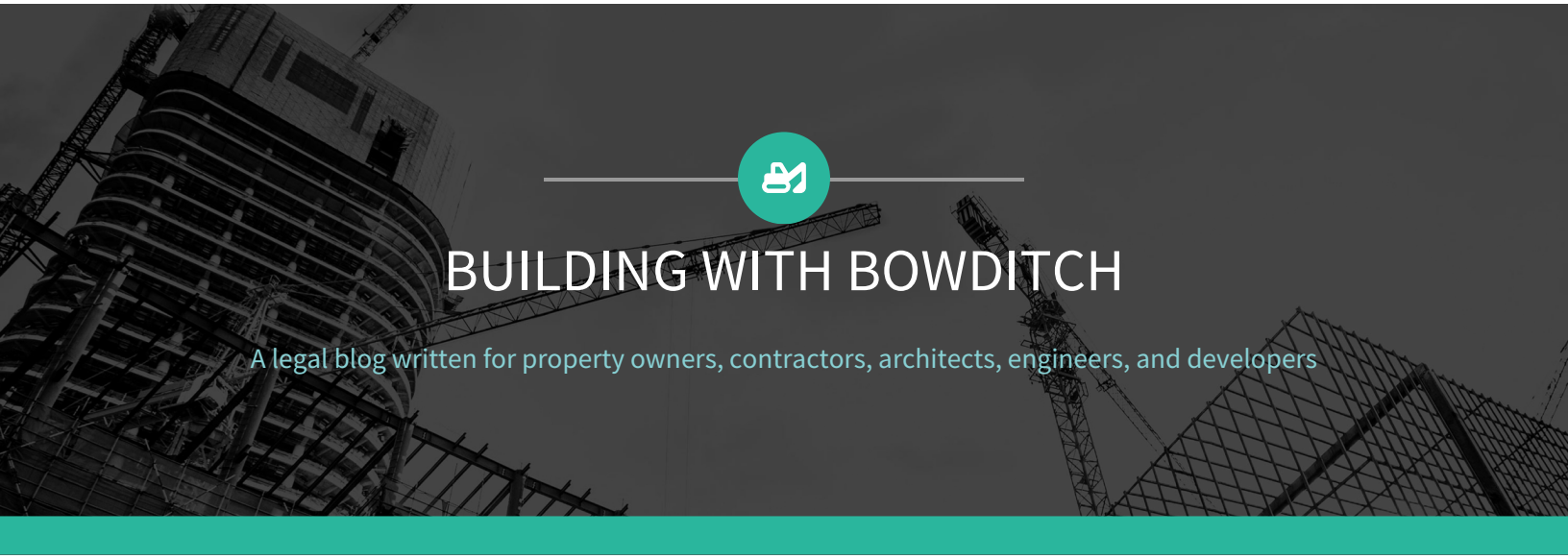


BUILDING WITH BOWDITCH

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Deemed Approved, Not Done: What the SJC Said About Prompt Pay

BY M. MATTHEW MADDEN, JR. • JULY 6, 2026

Getting an invoice "deemed approved" under the Massachusetts Prompt Pay Act is a big deal, but it may not be the end of the fight.

In *J.C. Cannistraro, LLC v. Columbia Construction Co.*, SJC-13819 (Mass. June 26, 2026), the Supreme Judicial Court (SJC) addressed what can happen after a contractor is required to pay an invoice because its rejection did not comply with the Prompt Pay Act.

Cannistraro submitted invoices for disputed change order work. Columbia rejected them on time and gave reasons for the rejection, but it failed to include the certification required by G.L. c. 149, § 29E that the rejection was made in good faith. That omission mattered. Because the rejection did not satisfy the statute, the invoices were deemed approved and Columbia was ordered to pay almost $952,000.

Columbia paid. Then it pursued a recoupment claim in arbitration, arguing that much of the amount was not actually due. After an evidentiary hearing, the arbitrator awarded Columbia roughly $577,000, plus interest. The Superior Court vacated that part of the award, but the SJC reversed and ordered the arbitration award confirmed.

The decision does not give contractors and owners permission to be loose with the Prompt Pay Act. A rejection still must be timely, in writing, explain the factual and contractual basis for rejection, and certify that the rejection is made in good faith. The statute imposes similar requirements for covered progress payment applications and change order requests.

The decision also does not wipe away *Business Interiors Floor Covering Business Trust v. Graycor Constr. Co.*, 494 Mass. 216 (2024). Under *Graycor*, a party that fails to properly reject an invoice generally must pay the deemed approved amount before, or at the same time as, asserting defenses.

The practical message is more precise: deemed approval controls timing, not always ultimate entitlement.

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Subcontractors should use the Act to press for payment, but still keep the records needed to prove the work, pricing, notice and authorization. Contractors and owners should treat every rejection as a statutory document, not a routine email.

Prompt Pay can force money to move now. It may not decide who keeps it later.

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