

Introduced by

Senators Kannianen, Campbell, Laffen

Representatives Beadle, Sukut

1 A BILL for an Act to amend and reenact sections 48-01.2-02.1 and 48-01.2-10 of the North
2 Dakota Century Code, relating to public improvement bid and bond thresholds.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1. AMENDMENT.** Section 48-01.2-02.1 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **48-01.2-02.1. Public improvement construction threshold.**

7 The threshold for bidding construction of a public improvement is one hundred fifty
8 thousand dollars. The threshold for procuring plans, drawings, and specifications from an
9 architect or engineer for construction of a public improvement is one hundred fifty thousand
10 dollars.

11 **SECTION 2. AMENDMENT.** Section 48-01.2-10 of the North Dakota Century Code is
12 amended and reenacted as follows:

13 **48-01.2-10. Bonds from contractors for public improvements.**

14 1. Unless otherwise provided under this chapter, a governing body authorized to enter a
15 contract for the construction of a public improvement in excess of one hundred fifty
16 thousand dollars shall take from the contractor a bond before permitting any work to
17 be done on the contract. The bond must be for an amount equal at least to the price
18 stated in the contract. The bond must be conditioned to be void if the contractor and all
19 subcontractors fully perform all terms, conditions, and provisions of the contract and
20 pay all bills or claims on account of labor performed and any supplies, and materials
21 furnished and used in the performance of the contract, including all demands of
22 subcontractors. The requirement that bills and claims be paid must include the
23 requirement that interest of the amount authorized under section 13-01-14 be paid on
24 bills and claims not paid within ninety days. The bond is security for all bills, claims,

- 1 and demands until fully paid, with preference to labor and material suppliers as to
2 payment. The bond must run to the governing body, but any person having a lawful
3 claim against the contractor or any subcontractor may sue on the bond.
- 4 2. A governing body may not require any person required to provide a surety bond to
5 obtain the surety bond from a specified insurance or surety company or insurance
6 producer or to submit financial data to the company or producer.