

**HOUSE BILL NO. 1356**

Introduced by

Representatives Schreiber-Beck, M. Johnson, Lefor, Mitskog, Trottier, Zubke

Senators Hogan, Klein, Kreun, J. Lee, Luick

1 A BILL for an Act to amend and reenact sections 43-19.1-28, 48-01.2-02.1, and 48-01.2-10 of  
2 the North Dakota Century Code, relating to bids, plans, and specifications for public  
3 improvements and bond thresholds.

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

5 **SECTION 1. AMENDMENT.** Section 43-19.1-28 of the North Dakota Century Code is  
6 amended and reenacted as follows:

7 **43-19.1-28. Public works.**

8 Except as otherwise provided by law, the state and its political subdivisions may not engage  
9 in the construction of public works involving the practice of professional engineering when the  
10 contemplated expenditure for the project exceeds the sum of ~~one~~two hundred ~~fifty~~ thousand  
11 dollars, unless the engineering drawings and specifications and estimates have been prepared  
12 by, and the construction administration and construction observation services are executed  
13 under the supervision of, a registered professional engineer. Any engineering contract executed  
14 in violation of this section is void.

15 **SECTION 2. AMENDMENT.** Section 48-01.2-02.1 of the North Dakota Century Code is  
16 amended and reenacted as follows:

17 **48-01.2-02.1. Public improvement construction threshold.**

18 The threshold for bidding construction of a public improvement is ~~one~~two hundred ~~fifty~~  
19 thousand dollars. The threshold for procuring plans, drawings, and specifications from an  
20 architect or engineer for construction of a public improvement is ~~one~~two hundred ~~fifty~~ thousand  
21 dollars.

22 **SECTION 3. AMENDMENT.** Section 48-01.2-10 of the North Dakota Century Code is  
23 amended and reenacted as follows:

1       **48-01.2-10. Bonds from contractors for public improvements.**

- 2       1. Unless otherwise provided under this chapter, a governing body authorized to enter a  
3       contract for the construction of a public improvement in excess of ~~one~~two hundred ~~fifty~~  
4       thousand dollars shall take from the contractor a bond before permitting any work to  
5       be done on the contract. The bond must be for an amount equal at least to the price  
6       stated in the contract. The bond must be conditioned to be void if the contractor and all  
7       subcontractors fully perform all terms, conditions, and provisions of the contract and  
8       pay all bills or claims on account of labor performed and any supplies, and materials  
9       furnished and used in the performance of the contract, including all demands of  
10      subcontractors. The requirement that bills and claims be paid must include the  
11      requirement that interest of the amount authorized under section 13-01-14 be paid on  
12      bills and claims not paid within ninety days. The bond is security for all bills, claims,  
13      and demands until fully paid, with preference to labor and material suppliers as to  
14      payment. The bond must run to the governing body, but any person having a lawful  
15      claim against the contractor or any subcontractor may sue on the bond.
- 16      2. A governing body may not require any person required to provide a surety bond to  
17      obtain the surety bond from a specified insurance or surety company or insurance  
18      producer or to submit financial data to the company or producer.