

**SENATE BILL NO. 2337**

Introduced by

Senator Fors

Representatives Nehring, Paur, Trottier

1 | A BILL for an Act to amend and reenact sections 43-19.1-28 ~~and~~, 48-01.2-02.1, and 48-01.2-10  
2 | of the North Dakota Century Code, relating to bid requirements for public improvements.

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

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

6 |       **43-19.1-28. Public works.**

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

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

16 |       **48-01.2-02.1. Public improvement construction threshold.**

- 17 |       1. The threshold for bidding construction of a public improvement is two hundred ~~and fifty~~  
18 | thousand dollars. The threshold for procuring plans, drawings, and specifications from  
19 | an architect or engineer for construction of a public improvement is ~~two~~five hundred  
20 | and fifty thousand dollars.
- 21 |       2. Notwithstanding the thresholds in subsection 1, if the state or a political subdivision  
22 | undertakes the construction of a public improvement and there is reason to believe  
23 | that engineering or architectural services are necessary to protect the health, safety, or

1 welfare of the public, the state or political subdivision shall consider consulting with an  
2 engineer or architect.

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

5 **48-01.2-10. Bonds from contractors for public improvements.**

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