

By Mr. Hermann of North Andover, petition of Joseph N. Hermann and another for legislation to insure adequate bond protection for all construction contracts for which bonds are issued in the Commonwealth. State Administration.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Eighty-Eight.

AN ACT TO INSURE ADEQUATE BOND PROTECTION FOR ALL CONSTRUCTION CONTRACTS FOR WHICH BONDS ARE ISSUED IN THE COMMONWEALTH.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Amend section 29 of chapter 149 by deleting in
2 the first sentence in line 8 the words "not less than one-half of"
3 and inserting in place thereof the words "equal to" so that
4 principal of the bond will be equal to the contract price.

1 SECTION 2. Amend chapter 149 by inserting the following
2 new section 29D after section 29C: —

3 Section 29D. Every bid bond, every performance bond and
4 every payment bond issued for any construction work in the
5 Commonwealth shall be the bond of a surety company
6 incorporated pursuant to section one hundred five of chapter one
7 hundred seventy-five or of a surety company authorized to do
8 business in the Commonwealth under the provisions of section
9 one hundred six of that chapter.

1 SECTION 3. Section one hundred and seven of chapter one
2 hundred and seventy-five is repealed.

1 SECTION 4. This act shall take effect on the date of approval
2 by the Governor and shall apply to all bonds issued on or after
3 that date.

By Mr. [Name] of [State] [Text]

THE [Title]

Be it enacted by the Senate and House of Representatives...

SECTION 1. [Text]

SECTION 2. [Text]

SECTION 3. [Text]

SECTION 4. [Text]

SECTION 5. [Text]