

By Mr. Hermann of North Andover, petition of the Associated Subcontractors of Massachusetts and Joseph N. Hermann for legislation to insure adequate bond protection for all public and private construction contracts. State Administration.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Ninety-One.

AN ACT TO INSURE ADEQUATE BOND PROTECTION FOR ALL PUBLIC AND PRIVATE CONSTRUCTION CONTRACTS.

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. Section 29 of Chapter 149 of the General Laws,
2 as appearing in the 1988 Official Edition, is hereby amended by
3 striking out the words "not less than one-half of" and inserting
4 in place thereof the words "equal to".

1 SECTION 2. Said chapter is hereby amended by inserting after
2 Section 29C the following section: —
3 Section 29D. All bid bonds, performance bonds and payment
4 bonds issued for construction work shall be bonds of surety
5 companies authorized to transact business under the provisions
6 of Section One Hundred and Five or One Hundred and Six of
7 Chapter One Hundred and Seventy-five.

1 SECTION 3. Amend Section 107 of Chapter 175 by striking
2 the period at the end and adding the following proviso.
3 "provided that all surety companies issuing surety bonds
4 covering construction work or other transactions being performed
5 in Massachusetts must be authorized to transact business in
6 Massachusetts as provided in Section One Hundred Five or One
7 Hundred Six of this chapter."

