

As Amended by Senate Committee

Session of 2004

SENATE BILL No. 408

By Committee on Federal and State Affairs

2-2

10 AN ACT concerning public improvements and buildings; relating to pub-
11 lic works bonds; amending K.S.A. 2003 Supp. 60-1111 and repealing
12 the existing section.

13

14 *Be it enacted by the Legislature of the State of Kansas:*

15 Section 1. K.S.A. 2003 Supp. 60-1111 is hereby amended to read as
16 follows: 60-1111. (a) *Bond by contractor.* Except as provided in subsection
17 ~~(c)~~ *this section*, whenever any public official, under the laws of the state,
18 enters into contract in any sum exceeding ~~\$40,000~~ **\$100,000** with any
19 person or persons for the purpose of making any public improvements,
20 or constructing any public building or making repairs on the same, such
21 officer shall take, from the party contracted with, a bond to the state of
22 Kansas with good and sufficient sureties in a sum not less than the sum
23 total in the contract, conditioned that such contractor or the subcontractor
24 of such contractor shall pay all indebtedness incurred for labor fur-
25 nished, materials, equipment or supplies, used or consumed in connec-
26 tion with or in or about the construction of such public building or in
27 making such public improvements.

28 A contract which requires a contractor or subcontractor to obtain a
29 payment bond or any other bond shall not require that such bond be
30 obtained from a specific surety, agent, broker or producer. A public of-
31 ficial entering into a contract which requires a contractor or subcontractor
32 to obtain a payment bond or any other bond shall not require that such
33 bond be obtained from a specific surety, agent, broker or producer.

34 (b) *Filing and limitations.* The bond required under subsection (a)
35 shall be filed with the clerk of the district court of the county in which
36 such public improvement is to be made. When such bond is filed, no lien
37 shall attach under this article, ~~and if when such bond is filed liens have~~
38 ~~already been filed, such liens.~~ *Any liens which have been filed prior to*
39 *the filing of such bond* shall be discharged. Any person to whom there is
40 due any sum for labor or material furnished, as stated in ~~the preceding~~
41 ~~section~~ *subsection (a)*, or such person's assigns, may bring an action on
42 such bond for the recovery of such indebtedness but no action shall be
43 brought on such bond after six months from the completion of such public

1 improvements or public buildings.

2 (c) In any case of a contract for construction, repairs or improvements
3 for the state or a state agency under K.S.A. 75-3739 or 75-3741, and
4 amendments thereto, a certificate of deposit payable to the state may be
5 accepted in accordance with and subject to K.S.A. 60-1112, and amend-
6 ments thereto. When such certificate of deposit is so accepted, no lien
7 shall attach under this article; ~~and if when such certificate of deposit is~~
8 ~~so accepted, liens have already been filed, such liens.~~ *Any liens which*
9 *have been filed prior to the acceptance of such certificate of deposit shall*
10 *be discharged. Any person to whom there is due any sum for labor fur-*
11 *nished, materials, equipment or supplies used or consumed in connection*
12 *with or for such contract for construction, repairs or improvements; shall*
13 *make a claim therefor with the director of purchases under K.S.A. 60-*
14 *1112, and amendments thereto.*

15 ~~(d) The requirement for providing the bond described in subsection~~
16 ~~(a) shall not apply to any municipality that adopts a resolution declaring~~
17 ~~that it wishes to exempt itself from the same in the interest of encouraging~~
18 ~~participation in the bidding process for municipal contracts by small busi-~~
19 ~~nesses for whom the procuring of such a bond might be a barrier to~~
20 ~~submitting bids.~~

21 ~~As used in this section, "municipality" means any political or taxing~~
22 ~~subdivision of the state.~~

23 Sec. 2. K.S.A. 2003 Supp. 60-1111 is hereby repealed.

24 Sec. 3. This act shall take effect and be in force from and after its
25 publication in the statute book.