

STATE OF OKLAHOMA

2nd Session of the 43rd Legislature (1992)

SENATE BILL NO. 825

BY: MILES-LaGRANGE

AS INTRODUCED

AN ACT RELATING TO PUBLIC BUILDINGS AND PUBLIC WORKS;  
AMENDING 61 O.S.1991, SECTION 1, WHICH RELATES TO  
BOND REQUIREMENTS FOR PUBLIC WORKS CONTRACTS;  
INCREASING DOLLAR VALUE OF CONTRACTS TO WHICH BOND  
REQUIREMENTS APPLY; DELETING OBSOLETE LANGUAGE; AND  
PROVIDING AN EFFECTIVE DATE.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 61 O.S. 1991, Section 1, is amended to read as follows:

Section 1. A. Prior to the award of any contract exceeding the amount of ~~Seven Thousand Five Hundred Dollars (\$7,500.00)~~ Twenty-five Thousand Dollars (\$25,000.00) for the purpose of making any public improvements or constructing or repairing any public building, the person to whom said contract is awarded shall:

1. ~~furnish~~ Furnish a bond with good and sufficient sureties payable to the state in a sum not less than the total sum of the contract; or

2. ~~cause~~ Cause an irrevocable letter of credit containing such terms as may be prescribed by the Office of Public Affairs to be issued for the benefit of the state by a financial institution insured by the Federal Deposit Insurance Corporation ~~or the Federal~~

~~Savings and Loan Insurance Corporation~~ in a sum not less than the total sum of the contract.

B. The bond or irrevocable letter of credit shall ensure the proper and prompt completion of the work in accordance with the contract and shall ensure that the contractor shall pay all indebtedness incurred by said contractor, his subcontractors, and all materialmen for such labor, material, rental of machinery or equipment, and repair of and parts for equipment as are used or consumed in the performance of said contract. Provided, notice in writing by certified mail must be given to the general contractor where rental of equipment is to be furnished to his subcontractor. The notice shall include the beginning date, the location where the equipment is to be used, the description of ~~said~~ the equipment, and the terms of ~~said~~ the rental and be mailed so as to be received by the general contractor within ten (10) days of the effective date of said rental.

~~B.~~ C. For any contract not exceeding the amount of ~~Seven Thousand Five Hundred Dollars (\$7,500.00)~~ Twenty-five Thousand Dollars (\$25,000.00), in lieu of a bond or irrevocable letter of credit, the contractor shall submit an affidavit of the payment of all indebtedness incurred by ~~said~~ the contractor, ~~his~~ subcontractors, and all materialmen for ~~such~~ labor, material, rental of machinery or equipment, and repair of and parts for equipment as are used or consumed in the performance of ~~said~~ the contract. The execution of ~~said~~ the affidavit with knowledge that any of the contents of the affidavit are false, upon conviction, shall constitute perjury, punishable as provided for by law.

SECTION 2. This act shall become effective September 1, 1992.

43-2-1531

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