

LEGISLATURE OF NEBRASKA

ONE HUNDREDTH LEGISLATURE

FIRST SESSION

LEGISLATIVE BILL 208

FINAL READING

Introduced by Aguilar, 35

Read first time January 9, 2007

Committee: Government, Military and Veterans Affairs

A BILL

1 FOR AN ACT relating to bonds; to amend section 52-118, Reissue
2 Revised Statutes of Nebraska; to change a bond
3 requirement for certain public building projects; and to
4 repeal the original section.

5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 52-118, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 52-118 (1) Except as provided in subsection (2) of this
4 section, it shall be the duty of the State of Nebraska or any
5 department or agency thereof, the county boards, the contracting
6 board of all cities, villages, and school districts, all public
7 boards empowered by law to enter into a contract for the erecting,
8 furnishing, or repairing of any public building, bridge, highway,
9 or other public structure or improvement, and any officer or
10 officers so empowered by law to enter into such contract, to which
11 the general provisions of the mechanics' lien laws do not apply
12 and when the mechanics and laborers have no lien to secure the
13 payment of their wages and suppliers who furnish material and
14 who lease equipment for such work have no lien to secure payment
15 therefor, to take from the person as defined in section 49-801
16 to whom the contract is awarded a payment bond or bonds in a sum
17 not less than the contract price with a corporate surety company
18 and agent selected by such person, conditioned for the payment of
19 all laborers and mechanics for labor that is performed and for the
20 payment for material and equipment rental which is actually used
21 or rented in the erecting, furnishing, or repairing of the public
22 structure or improvement or in performing the contract.

23 (2) The labor and material payment bond or bonds referred
24 to in subsection (1) of this section shall not be required for
25 (a) any project bid or proposed by the State of Nebraska or any

1 department or agency thereof which has a total cost of fifteen
2 thousand dollars or less or (b) any project bid or proposed by any
3 county board, contracting board of any city, village, or school
4 district, public board, or officer referred to in subsection (1) of
5 this section which has a total cost of five ten thousand dollars
6 or less unless the state, department, agency, board, or officer
7 includes a bond requirement in the specifications for the project.

8 (3) The bond or bonds referred to in subsection (1) of
9 this section shall be to, filed with, approved by, and safely kept
10 by the State of Nebraska, department or agency thereof, officer
11 or officers, or board awarding the contract. No contract referred
12 to in subsection (1) of this section shall be entered into by
13 the State of Nebraska, department or agency thereof, officer or
14 officers, or board referred to in subsection (1) of this section
15 until the bond or bonds referred to in subsection (1) of this
16 section has been so made, filed, and approved.

17 (4) The bond or bonds referred to in subsection (1) of
18 this section may be taken from the person to whom the contract
19 is awarded by the owner and owner's representative jointly as
20 determined by the owner. The corporate surety company referred to
21 in subsection (1) of this section shall have a rating acceptable to
22 the owner as the owner may require.

23 Sec. 2. Original section 52-118, Reissue Revised Statutes
24 of Nebraska, is repealed.