

Original Sponsors: Messrs.  
Leonard and Sanders

Offered: 4/2/63  
Referred: Rules

1 IN THE HOUSE BY THE JUDICIARY COMMITTEE

2 CS FOR HOUSE BILL NO. 202

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRD LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act providing for the posting of a per-  
7 formance and a labor and material bond for  
8 all construction contracts exceeding \$2,500  
9 unless waived by the parties; and providing  
10 for an effective date."

11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

12 \* Section 1. AS 45.45 is amended by adding a new section to  
13 read:

14 ARTICLE 4. PERFORMANCE AND LABOR AND  
15 MATERIAL BONDS FOR PRIVATE CONSTRUCTION CONTRACTS.

16 Sec. 45.45.120. POSTING OF PERFORMANCE AND LABOR AND  
17 MATERIAL BONDS TO PROTECT OWNER, MATERIALMAN, LABORER, OR  
18 CONTRACTOR. (a) All private contracts that total more than  
19 \$2,500 for constructing, altering, or repairing, either in  
20 whole or in part, a building, wharf, bridge, flume, fence,  
21 aqueduct, or well, or for land clearing, grading draining,  
22 excavating, or landscaping the ground upon which it is con-  
23 structed, or for installing sewer or water lines, shall pro-  
24 vide for a performance bond and a labor and material bond in  
25 the amount of the contract.

26 (b) A person contracting to perform a construction job  
27 described in (a) of this section shall post a labor and  
28 material bond approved by both parties guaranteeing payment  
29 for work done or materials furnished on the job by a

1 materialman, laborer, or contractor, if the materialman,  
2 laborer, or contractor has complied with the lien laws of the  
3 state.

4 (c) A person contracting to perform a construction job  
5 described in (a) of this section shall post a performance  
6 bond according to the terms of the contract between the  
7 parties.

8 (d) Either the performance bond or the labor and  
9 material bond or both bonds may be waived if both parties to  
10 the construction contract agree to the waiver in writing.

11 (e) A bond required by this section shall have at least

12 (1) one corporate surety; or

13 (2) two individual sureties each of whom justifies  
14 before an officer authorized to administer oaths that

15 (A) he is a resident and freeholder within  
16 the state; and

17 (B) he is worth double the amount for which  
18 he becomes surety over and above all his debts and  
19 liabilities in property located in the state which is  
20 not exempt from seizure and sale under execution.

21 (f) No surety which has paid a claim or claims or por-  
22 tions of a claim or claims which in the aggregate amount to  
23 the face value of the bond is liable for the payment of any  
24 further claims or portions of claims.

25 \* Sec. 2. This Act takes effect on July 1, 1963.  
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