

CHAPTER 49

AN ACT

[H. B. 36]

To require performance and payment bonds of contractors for public buildings or works of the Territory; permitting persons furnishing labor or material to sue on payment bonds.

Be it enacted by the Legislature of the Territory of Alaska:

Section 1. BONDS OF CONTRACTORS FOR PUBLIC BUILDINGS OR WORKS.

Bond required. (a) Before any contract, exceeding \$2,000.00 in amount, for the construction, alteration, or repair of any public building or public work of the Territory of Alaska is awarded to any person, such person shall furnish to the Territory of Alaska the following bonds, which shall become binding upon the award of the contract to such person, who is hereinafter designated as "contractor":

Performance bond. (1) A performance bond with a corporate surety qualified to do business within the Territory of Alaska, or not less than two individual sureties who shall each justify in a sum equal to the amount of the bond, the amount of which shall be equivalent to the amount of the payment bond hereinafter required.

Payment bond. (2) A payment bond with a corporate surety qualified to do business within the Territory of Alaska, or not less than two individual sureties who shall each justify in a sum equal to the amount of such bond, for the protection of all persons supplying labor and material in the prosecution of the work provided for in said contract for the use of each such person. Whenever the total amount payable by the terms of the contract shall be not more than \$1,000,000.00, the said payment bond shall be in a sum of one-half the total amount payable by the terms of the contract. Whenever the total amount payable by the terms of the contract shall be more than \$1,000,000.00 and not more than \$5,000,000.00, the said

Amount.

payment bond shall be in a sum of 40 percentum of the total amount payable by the terms of the contract. Whenever the total amount payable by the terms of the contract shall be more than \$5,000,000.00, the said payment bond shall be in the sum of \$2,800,000.00.

(b) Nothing in this section shall be construed to limit the authority of any contracting officer to require a performance bond or other security in addition to those, or in cases other than the cases specified in subsection (a) of this section.

Additional
bond may be
required.

Section 2. RIGHTS OF PERSONS FURNISHING LABOR OR MATERIAL.

(a) Every person who has furnished labor or material in the prosecution of the work provided for in such contract, in respect of which a payment bond is furnished under Section 1 of this Act and who has not been paid in full therefor before the expiration of a period of ninety days after the day on which the last of the labor was done or performed by him or material was furnished or supplied by him for which such claim is made, shall have the right to sue on such payment bond for the amount, or the balance thereof, unpaid at the time of institution of such suit and to prosecute said action to final execution and judgment for the sum or sums justly due him: Provided, however, that any person having direct contractual relationships with a subcontractor but no contractual relationship express or implied with the contractor furnishing said payment bond shall have a right of action upon the said payment bond upon giving written notice to said contractor within ninety days from the date on which such person did or performed the last of the labor or furnished or supplied the last of the material for which such claim is made, stating with substantial accuracy the amount claimed and the name of the party to whom the material was furnished or supplied or for whom the labor was done or performed. Such notice

Right to sue
upon payment
bond.

Notice to
contractor.

Service of notice.

shall be served by mailing the same by registered mail, postage prepaid, in an envelope addressed to the contractor at any place he maintains an office or conducts his business, or his residence, or in any manner in which the United States Marshal of the division in which the public improvement is situated is authorized by law to serve summons.

Suit in name of Territory.

(b) Every suit instituted under this section shall be brought in the name of the Territory of Alaska for the use of the person suing in the District Court for Alaska, but no such suit shall be commenced after the expiration of one year after the date of final settlement of such contract. The Territory of Alaska shall not be liable for the payment of any costs or expenses of any such suit.

Classes included.

Section 3. The term "person" and the masculine pronouns as used in this Act shall include all persons whether individuals, associations, copartnerships, or corporations.

Approved March 24, 1953.

CHAPTER 50

AN ACT

[H. B. 47]

Permitting mobile amateur radio stations to display registration plates bearing the Federal Communications Commission call letters of the owner in lieu of the license plates bearing the registration number, and amending Chapter 124, S.L.A. 1951, Sections 3 and 4 and establishing an effective date.

Be it enacted by the Legislature of the Territory of Alaska:

Call letters in lieu of registration numbers.

Section 1. RECOGNITION; DEFINITION. The Territory of Alaska recognizes the valuable assistance which mobile amateur radio stations can render in times of emergency and in civil defense, and therefore provides for the issuance of registration plates bearing the Federal Communications Commission call letters of the owner