

First Regular Session
Seventy-first General Assembly
STATE OF COLORADO

REENGROSSED

*This Version Includes All Amendments
Adopted in the House of Introduction*

LLS NO. 17-0700.01 Nicole Myers x4326

SENATE BILL 17-211

SENATE SPONSORSHIP

Scott,

HOUSE SPONSORSHIP

Lawrence and Kraft-Tharp,

Senate Committees
Transportation

House Committees

A BILL FOR AN ACT

101 **CONCERNING A REQUIREMENT THAT A STATE AGENCY ACCEPT THE**
102 **FULL AMOUNT OF A BID SECURITY BOND ISSUED BY A SURETY**
103 **COMPANY TO A PROSPECTIVE CONTRACTOR FOR A PUBLIC**
104 **PROJECT.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

Prospective contractors for public projects are often required to obtain a bid security bond executed by a surety company as a prerequisite for responding to a competitive solicitation issued by a state agency. The

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

SENATE
3rd Reading Unamended
April 13, 2017

SENATE
Amended 2nd Reading
April 10, 2017

bill specifies that if such a bond is required, the state agency is required accept the full amount of the bond and shall not reduce the amount of the bond for the purposes of determining whether the contractor satisfies any prequalification criteria established by the state agency.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1. In Colorado Revised Statutes, 43-1-116, add (4) as**
3 **follows:**

4 **43-1-116. Engineering, design, and construction division -**
5 **created - duties.** (4) IF, IN RESPONSE TO A SOLICITATION ISSUED BY THE
6 DEPARTMENT, A CONTRACTOR IS REQUIRED TO SECURE A BID IN THE FORM
7 OF A BOND AND THE CONTRACTOR CAN FURNISH SUCH BOND IN THE
8 AMOUNT REQUIRED BY THE SOLICITATION OR IN THE AMOUNT OTHERWISE
9 REQUIRED BY LAW, THE DEPARTMENT SHALL NOT ELIMINATE THE
10 CONTRACTOR FROM CONSIDERATION OF AN AWARD ON THE BASIS OF ANY
11 FINANCIAL STATEMENT THAT THE CONTRACTOR SUBMITTED TO THE
12 DEPARTMENT FOR THE DEPARTMENT'S CONTRACTOR PREQUALIFICATION
13 DETERMINATION PROCESS. THE PROVISIONS OF THIS SECTION APPLY
14 REGARDLESS OF WHETHER THE CONTRACTOR'S FINANCIAL STATEMENT
15 SUBMITTED FOR PREQUALIFICATION PURPOSES INDICATES THAT THE
16 CONTRACTOR MAY NOT BE ABLE TO PERFORM THE APPLICABLE CONTRACT
17 TO THE LEVEL AND AMOUNT REFLECTED IN THE BOND.

18 **SECTION 2. Act subject to petition - effective date.** This act
19 takes effect at 12:01 a.m. on the day following the expiration of the
20 ninety-day period after final adjournment of the general assembly (August
21 9, 2017, if adjournment sine die is on May 10, 2017); except that, if a
22 referendum petition is filed pursuant to section 1 (3) of article V of the
23 state constitution against this act or an item, section, or part of this act

1 within such period, then the act, item, section, or part will not take effect
2 unless approved by the people at the general election to be held in
3 November 2018 and, in such case, will take effect on the date of the
4 official declaration of the vote thereon by the governor.