

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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HOUSE BILL 1039

Short Title: Guaranty on DOT Contracts.

(Public)

Sponsors: Representative Holt.

Referred to: Transportation.

April 19, 1993

A BILL TO BE ENTITLED

AN ACT TO REQUIRE THAT THE DEPARTMENT OF TRANSPORTATION
INCLUDE A GUARANTY CLAUSE IN ALL CONTRACTS FOR THE
CONSTRUCTION OF HIGHWAYS BUILT SOLELY WITH STATE FUNDS.

The General Assembly of North Carolina enacts:

Section 1. Chapter 136 of the General Statutes is amended by adding a new section to read:

"§ 136-28.10. Guaranty and warranty clauses on all State highway contracts.

(a) The Department of Transportation shall require that every contract for construction or repair of a noninterstate, nonfederal-aid primary highway built only with State funds shall include a clause requiring that the designer and contractors warrant the services, materials, and work performed. The warranty or guaranty clause shall be reasonably related to the services, materials, or work performed, and shall not be construed to require the construction contractor to perform maintenance.

(b) Not later than 90 days after the effective date of this section, the Department of Transportation shall issue rules for developing standards for warranties and guaranties required by subsection (a) of this section."

Sec. 2. This act is effective upon ratification.