

**FIRST ENGROSSMENT
with Senate Amendments**

Fifty-fifth
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1445

Introduced by

Representative Carlson

1 A BILL for an Act to create and enact a new section to chapter 48-01.1 of the North Dakota
2 Century Code, relating to the use of a construction manager for public improvement projects;
3 and to amend and reenact section 48-01.1-01 of the North Dakota Century Code, relating to
4 definitions regarding public improvement contracts.

5 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

6 **SECTION 1. AMENDMENT.** Section 48-01.1-01 of the 1995 Supplement to the North
7 Dakota Century Code is amended and reenacted as follows:

8 **48-01.1-01. Definitions.** In this chapter, unless the context otherwise requires:

- 9 1. "Construction" includes repair and alteration.
- 10 2. "Construction administration" means administrative services provided on behalf of
11 the governing body, either by the governing body or a registered design
12 professional, and includes providing clarifications, submittal review,
13 recommendations for payment, preparation of change orders, and other
14 administrative services included in the agreement with the registered design
15 professional. The term does not include supervision of the construction activities
16 for the construction contracts.
- 17 3. "Construction management" means the management and supervision of the
18 construction of a public improvement, including the management and supervision
19 of multiple prime contracts. The term does not include construction administration
20 performed by a design professional under the terms of a professional services
21 agreement with the governing body.
- 22 4. "Contractor" means any person, duly licensed, that undertakes or enters ~~into~~ a
23 contract with a governing body ~~of~~ for the construction or construction management
24 of any public improvement, including multiple prime contracts.

~~3.~~ 5. "Governing body" means the governing officer or board of any state entity or of any political subdivision.

~~4.~~ 6. "Public improvement" means any improvement the cost of which is payable from taxes or other funds under the control of a governing body including improvements for which special assessments are levied. The term does not include any county road construction and maintenance, state highway, or public service commission project governed by titles 11, 24, or 38.

~~5- 7.~~ "Surety" means a bond or undertaking executed by a surety company authorized to do business in this state which is countersigned by an agent of that company.

SECTION 2. A new section to chapter 48-01.1 of the North Dakota Century Code is created and enacted as follows:

Use of construction manager. If a governing body uses a construction manager on a public improvement, the construction manager must be a licensed contractor. A construction manager awarded a contract for construction of a public improvement shall bond the entire cost of the project through a single bond, or through bonds supporting all bid packages and the construction manager's bond for the full amount of the construction manager's services.