Adopted by the Energy and Natural Resources Committee
January 16, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO

SENATE BILL NO. 2045

Introduced by

Energy and Natural Resources Committee

(At the request of the Department of Water Resources)

A BILL for an Act to amend and reenact ~~section~~sections 43-07-12 and 48-01.2-05 of the North Dakota Century Code, relating to a bidding exception for water supply funds and contents of advertisement for public improvement projects.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 43-07-12 of the North Dakota Century Code is amended and reenacted as follows:

43-07-12. Bids to show license issued.

1. All bids and proposals for the construction of any public contract project subject to this chapter must contain a copy of the license or certificate for the current contractor year of the license issued by the registrar, enclosed in the required bid bond envelope. A contract may not be awarded to any contractor unless the contractor is the holder of a license in the class within which the value of the project falls as provided under this section. A contractor must be the holder of a license at least ten days before the date set for receiving bids, to be a qualified bidder. A bid submitted without this information properly enclosed in the bid bond envelope may not be read or considered and must be returned to the bidder.~~-~~

2. This section does not apply to bids submitted:

~~1.~~ a. To the department of transportation;

~~2. For use of municipal, rural, and industrial water supply funds authorized by Public Law No. 99-294 [100 Stat. 418];~~

~~3.~~ b. To the public service commission; or

~~4.~~ c. For use of federal aid highway funds authorized by Public Law No. 85-767 [72 Stat. 885; 23 U.S.C. 101 et seq.].

SECTION 2. AMENDMENT. Section 48-01.2-05 of the North Dakota Century Code is amended and reenacted as follows:

48-01.2-05. Contents of advertisement.

The advertisement for bids required by section 48-01.2-04 must state:

1. The nature of the work and the type and location of the proposed public improvement.
2. When and where the plans, drawings, and specifications may be seen and examined.
3. The place, date, and time the bids will be opened.
4. That each bid must be accompanied by a separate envelope containing the contractor's license and bid security. The bid security must be in a sum equal to five percent of the full amount of the bid and must be in the form of a bidder's bond. A bidder's bond must be executed by the bidder as principal and by a surety, conditioned that if the principal's bid is accepted and the contract awarded to the principal, the principal, within ten days after notice of the award, shall execute a contract in accordance with the terms of the bid and the bid bond and any condition of the governing body. A countersignature of a bid bond is not required under this section. If a successful bidder does not execute a contract within the ten days allowed, the bidder's bond must be forfeited to the governing body and the project awarded to the next lowest responsible bidder.
5. That a bidder~~, except a bidder on a municipal, rural, and industrial water supply project using funds provided under Public Law No. 99-294 [100 Stat. 426; 43 U.S.C. 390a],~~ must be licensed for the full amount of the bid as required by section 43-07-12. ~~For projects using funds provided under Public Law No. 99-294 [100 Stat. 426; 43 U.S.C. 390a], the advertisement must state that, unless a bidder obtains a contractor's license for the full amount of its bid within twenty days after it is determined the bidder is the lowest responsible bidder, the bid must be rejected and the contract awarded to the next lowest responsible bidder.~~

6. That no bid may be read or considered if the bid does not fully comply with the requirements of this section and that any deficient bid submitted must be resealed and returned to the bidder immediately.
7. That the governing body reserves the right to reject any and all bids and rebid the project until a satisfactory bid is received.