

**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.

1       ~~3-~~ 5. "Governing body" means the governing officer or board of any state entity or of any  
2                   political subdivision.

3       ~~4-~~ 6. "Public improvement" means any improvement the cost of which is payable from  
4                   taxes or other funds under the control of a governing body including improvements  
5                   for which special assessments are levied. The term does not include any county  
6                   road construction and maintenance, state highway, or public service commission  
7                   project governed by titles 11, 24, or 38.

8       ~~5-~~ 7. "Surety" means a bond or undertaking executed by a surety company authorized  
9                   to do business in this state which is countersigned by an agent of that company.

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

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