

HCS SCS SB 167 -- PUBLIC WORKS CONTRACTORS

SPONSOR: Crawford (Griesheimer)

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Insurance Policy by a vote of 14 to 0 with 1 voting present. Voted "Do Pass" by the Standing Committee on Rules-Administrative Oversight by a vote of 8 to 0.

This bill expands the definitions of "contractor" and "public works" as used in the law requiring contractors on public works projects to provide a security bond to the public entity. The expanded definition of "contractor" includes any person who provides or arranges for construction services to a public entity under a contract with a private entity representing the public entity and "public works" includes projects even if the work is to be used for nongovernmental purposes.

The bill also specifies that public entities must require the security bond for public works in their names or when requiring private entities to enter into contracts for the works and that the bond must also cover labor for work performed by a supplier at any tier.

PROPOSERS: Supporters say that this bill will help broaden work for non-governmental purposes. A contractor lien is a claim for payment made by a contractor or a subcontractor who has performed work on a property. Currently, contractors cannot file a lien on public projects or public property. This bill will allow contractors and subcontractors to acquire bonds to do private work on public land. Supporters also say that there is no recourse for contractors who work on public property. This bill will provide a recourse for contractors who put resources and material into projects in the event that the work could not be completed. Supporters want bonds for contractors and subcontractors so that they will be paid for their services and material.

This bill is similar to SB 126, HB 490 and HB 791 (2019).

Testifying for the bill were Senator Crawford; Mechanical Contractors Association of Kansas City; Mechanical Contractors Association of Eastern Missouri; Missouri Insurance Coalition; St. Louis Chapter National Electrical Contractor Association; Association of General Contractors of Missouri; American Subcontractors Association - Midwest Council; Site Improvement Association; Construction Employers Coalition, and the Missouri Insurance Coalition.

OPPOSERS: There was no opposition voiced to the committee.