

**Introduced by Senator Wright**

February 22, 2013

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An act to amend Section 9550 of the Civil Code, relating to public works.

LEGISLATIVE COUNSEL'S DIGEST

SB 616, as introduced, Wright. Public works: payment bonds.

Existing law requires a direct contractor that is awarded a public works contract involving an expenditure greater than \$25,000 to give a payment bond to, and approved by, the officer or public entity by whom the contract was awarded, as specified.

This bill would make nonsubstantive changes to this provision.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 9550 of the Civil Code is amended to  
2 read:  
3 9550. (a) A direct contractor that is awarded a public works  
4 contract involving an expenditure ~~in excess of~~ *greater than*  
5 twenty-five thousand dollars (\$25,000) shall, before  
6 commencement of work, give a payment bond to and approved  
7 by the officer or public entity by whom the contract was awarded.  
8 (b) A public entity shall state in its call for bids that a payment  
9 bond is required for a public works contract involving an  
10 expenditure ~~in excess of~~ *greater than* twenty-five thousand dollars  
11 (\$25,000).

- 1 (c) A payment bond given and approved under this section will
- 2 permit performance of and provide coverage for work pursuant to
- 3 a public works contract that supplements the contract for which
- 4 the bond is given, if the requirement of a new bond is waived by
- 5 the public entity.
- 6 (d) For the purpose of this section, a design professional is not
- 7 deemed a direct contractor and is not required to give a payment
- 8 bond.
- 9 (e) This section does not apply to a public works contract with
- 10 a “state entity” as defined in subdivision (d) of Section 7103 of
- 11 the Public Contract Code.

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