

ACT 246

H.B. NO. 1725-84

A Bill for an Act Relating to Contractor's Bond.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 103-34, Hawaii Revised Statutes, is amended to read:

“§103-34 Contractor's bond; conditions. Before any contract is entered into, the party with whom the contract is proposed to be made shall give security for the performance thereof by a good and sufficient bond conditioned for the full and faithful performance of the contract in accordance with the terms and intent thereof and also for the prompt payment to all others for all labor and materials furnished by them to him and used in the prosecution of the

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work provided for in the contract[, which]. The bond shall be in an amount equal to fifty per cent of the contract price including amounts estimated to be required for extra work, or in the case of a price-term, open-end, or requirements contract under which the total amount to be paid to the contractor cannot be accurately estimated at the time the contract is to be awarded, the bond amount shall be as designated in the bid documents[.]; provided that in the case of a contract for the construction of public works, buildings, roads, or other site improvements, the bond shall be in an amount equal to one hundred per cent of the contract price, including amounts estimated to be required for extra work. The bond shall also by its terms inure to the benefit of any and all persons entitled to file claims for labor performed or materials furnished in the work so as to give them a right of action as contemplated by section 507-17.”

SECTION 2. Statutory material to be repealed is bracketed. New material is underscored.

SECTION 3. This Act shall take effect upon its approval.

(Approved June 4, 1984.)