

HB 314, HCA 1 -- PUBLIC WORKS BONDS

SPONSOR: Engler

COMMITTEE ACTION: Voted "do pass by consent" by the Committee on Financial Services by a vote of 19 to 0.

This bill prohibits public entities and persons acting on behalf of public entities from requiring bidders and contractors on public works construction projects to obtain surety bonds from specific insurance or surety companies.

HCA 1 -- Corrects section reference.

FISCAL NOTE: No impact on state funds.

PROPOSERS: Supporters say that the bill fosters open competition in the bonding of public projects. No specific bonding entity should receive preferential treatment.

Testifying for the bill were Representative Engler; Independent Insurance Agents and Brokers of Missouri; American Insurance Association; Associated General Contractors of Missouri; and National Association of Surety Bond Producers.

OPPOSERS: There was no opposition voiced to the committee.

Richard Smreker, Senior Legislative Analyst