

**House Study Bill 567 - Introduced**

HOUSE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
JUDICIARY BILL BY CHAIRPERSON  
HOLT)

**A BILL FOR**

- 1 An Act relating to public improvement contracts, including notice
- 2 requirements.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

unofficial

1 Section 1. Section 573.16, subsection 1, Code 2026, is  
2 amended to read as follows:

3 1. a. The public corporation, the principal contractor, any  
4 claimant for labor or material who has filed a claim, or the  
5 surety on any bond given for the performance of the contract,  
6 may, at any time after the expiration of thirty days, and  
7 not later than sixty days, following the completion and final  
8 acceptance of said improvement, bring action in equity in the  
9 county where the improvement is located to adjudicate all rights  
10 to said fund, or to enforce liability on said bond.

11 b. No later than fourteen calendar days after final  
12 acceptance of the improvement, the public corporation shall send  
13 to the principal contractor, the surety on any bond given for  
14 the performance of the contract, and any claimant for labor  
15 or material who has filed a claim, a written notification of  
16 the date of the public corporation's final acceptance of the  
17 improvement. The public corporation shall not be liable for  
18 any claims or damages based on or arising out of the public  
19 corporation's failure to comply with this paragraph.

20 EXPLANATION

21 The inclusion of this explanation does not constitute agreement with  
22 the explanation's substance by the members of the general assembly.

23 This bill relates to public improvement contracts.

24 Under Code chapter 573, a public corporation may enter into  
25 a contract for the construction of a public improvement. The  
26 bill requires that no later than 14 calendar days after the  
27 public corporation's final acceptance of the public improvement,  
28 the public corporation shall send a written notification of the  
29 date of the public corporation's final acceptance of the public  
30 improvement to the principal contractor, the surety on any bond  
31 given for the performance of the contract, and any claimant for  
32 labor or material who has filed a claim. The public corporation  
33 will not be liable for any claims or damages based on or arising  
34 out of the public corporation's failure to comply with the bill.