

Senate Study Bill 3159 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
JUDICIARY BILL BY CHAIRPERSON
SCHULTZ)

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.