

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
2 notice requirements.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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,
4 any claimant for labor or material who has filed a claim,
5 or the surety on any bond given for the performance of the
6 contract, may, at any time after the expiration of thirty days,
7 and not later than sixty days, following the completion and
8 final acceptance of said improvement, bring action in equity in
9 the county where the improvement is located to adjudicate all
10 rights 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
13 send to the principal contractor, the surety on any bond given
14 for 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
25 into a contract for the construction of a public improvement.
26 The bill requires that no later than 14 calendar days after
27 the public corporation's final acceptance of the public
28 improvement, the public corporation shall send a written
29 notification of the date of the public corporation's final
30 acceptance of the public improvement to the principal
31 contractor, the surety on any bond given for the performance of
32 the contract, and any claimant for labor or material who has
33 filed a claim. The public corporation will not be liable for
34 any claims or damages based on or arising out of the public
35 corporation's failure to comply with the bill.