

By: Young

To: Universities and
Colleges;
Appropriations

HOUSE BILL NO. 1538
(As Passed the House)

1 AN ACT TO REQUIRE CONSTRUCTION CONTRACTS ENTERED INTO BY THE
2 BOARD OF TRUSTEES OF STATE INSTITUTIONS OF HIGHER LEARNING AND
3 STATE INSTITUTIONS OF HIGHER LEARNING TO INCLUDE A PENALTY
4 PROVISION FOR UNTIMELY PERFORMANCE AND WARRANTY PROVISIONS; AND
5 FOR RELATED PURPOSES.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

7 SECTION 1. (1) Each contract entered into by the Board of
8 Trustees of State Institutions of Higher Learning or a state
9 institution of higher learning for a construction, renovation or
10 repair project, regardless of the source of funding used to defray
11 the cost of the project, must include a provision establishing the
12 date by which the project is to be completed and a clause
13 requiring the assessment of a penalty for each day that the
14 project is not certified as having been completed, by the party
15 authorized under the contract to make such certification, after
16 the date specified for completion. The terms of the contract must
17 provide that each day that the project is not certified as having
18 been completed is a separate violation of the contract and that
19 the penalty shall be assessed for each day's violation. The
20 amount of the penalty shall be established in the contract.

21 (2) Each contract described under subsection (1) of this
22 section must include a provision guaranteeing the quality of the
23 workmanship of the project and providing detailed warranties for
24 the various, specific components of the project. This provision
25 shall include, at a minimum, the period of duration of each
26 warranty, the remedies available if a warranty is breached and
27 appropriate penalties for a breach of warranty under the contract.

28 The warranties in the contract must be consistent with or more
29 stringent than the standard warranties used in the particular
30 industry involved.

31 SECTION 2. This act shall take effect and be in force from
32 and after July 1, 2000.