

By: Representative Young

To: Universities and
Colleges

HOUSE BILL NO. 242

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 LIQUIDATED
4 DAMAGES PROVISION FOR UNTIMELY PERFORMANCE AND WARRANTY
5 PROVISIONS; AND 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 liquidated damages for each day that
14 the project is not certified as having been completed, by the
15 party authorized under the contract to make such certification,
16 after the date specified for completion. The terms of the
17 contract must provide that each day that the project is not
18 certified as having been completed is a separate violation of the
19 contract and that liquidated damages shall be assessed for each
20 day's violation. The amount of the liquidated damages shall be
21 established in the contract.

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



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

32 SECTION 2. This act shall take effect and be in force from
33 and after July 1, 2001.

