

House Bill 134 (AS PASSED HOUSE AND SENATE)

By: Representatives England of the 108<sup>th</sup>, Heard of the 104<sup>th</sup>, Coan of the 101<sup>st</sup>, and Benton of the 31<sup>st</sup>

A BILL TO BE ENTITLED  
AN ACT

1 To amend Part 2 of Article 3 of Chapter 91 of Title 36 of the Official Code of Georgia  
2 Annotated, relating to bid bonds for public works bidding for local governments, so as to  
3 change certain provisions relating to cash in lieu of bid bonds and letters of credit; to change  
4 certain provisions relating to acceptable substitutes for bonds; to repeal conflicting laws; and  
5 for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Part 2 of Article 3 of Chapter 91 of Title 36 of the Official Code of Georgia Annotated,  
9 relating to bid bonds for public works bidding for local governments, is amended by revising  
10 subsection (b) of Code Section 36-91-51, relating to cash in lieu of bid bonds and letters of  
11 credit, as follows:

12 "(b) When the amount of any bid bond required under this article does not exceed  
13 ~~\$300,000.00~~ \$750,000.00, the governmental entity may, in its sole discretion, accept an  
14 irrevocable letter of credit issued by a bank or savings and loan association, as defined in  
15 Code Section 7-1-4, in the amount of and in lieu of the bond otherwise required under Code  
16 Section 36-91-50."

17 **SECTION 2.**

18 Said part is further amended by revising Code Section 36-91-71 of the Official Code of  
19 Georgia Annotated, relating to acceptable substitutes for bonds, as follows:

20 "36-91-71.

21 When the amount of the performance bond required under this article does not exceed  
22 ~~\$300,000.00~~ \$750,000.00, the governmental entity may, in its sole discretion, accept an  
23 irrevocable letter of credit by a bank or savings and loan association, as defined in Code  
24 Section 7-1-4, in the amount of and in lieu of the bond otherwise required under this  
25 article."

1

**SECTION 3.**

2 All laws and parts of laws in conflict with this Act are repealed.