

**HOUSE . . . . . No. 3000**

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**The Commonwealth of Massachusetts**

PRESENTED BY:

*Daniel Cahill*

*To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:*

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to default insurance programs for certain public construction projects.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Daniel Cahill</i>	<i>10th Essex</i>	<i>1/18/2023</i>

**HOUSE . . . . . No. 3000**

By Representative Cahill of Lynn, a petition (accompanied by bill, House, No. 3000) of Daniel Cahill relative to default insurance programs for certain public construction projects. State Administration and Regulatory Oversight.

**The Commonwealth of Massachusetts**

**In the One Hundred and Ninety-Third General Court  
(2023-2024)**

An Act relative to default insurance programs for certain public construction projects.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1 Section 1. Section 8 (a) of Chapter 149A of the General Laws as appearing in the 2018  
2 Official Edition is hereby amended by striking out paragraph 2 and inserting in place thereof the  
3 following new paragraph:-

4 All trade contracts entered into in accordance with this chapter shall be secured by  
5 performance and payment bonds in the full amount of the trade contract from a surety company  
6 licensed to do business in the commonwealth and whose name appears on United States Treasury  
7 Department Circular 570; provided that the bonds are subject to subsection (3) of section 44F of  
8 chapter 149 except for those subcontracts subject to a subcontractor default insurance policy  
9 obtained by the construction management at risk firm. The construction manager at risk firm to  
10 obtain a subcontractor default insurance policy in lieu of the requirement that all trade  
11 contractors obtain payment and performance bonds. The intention to use a subcontractor default

- 12 insurance policy shall be made known by the awarding authority and construction manager at
- 13 risk firm prior to the receipt of trade contractor bids pursuant to subsection (g) of this section.