

HOUSE No. 3864

The Commonwealth of Massachusetts

In the Year Two Thousand Nine

An Act relative to performance bonds..

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 Chapter 93A of the General Laws, as appearing in the 2006 Official Edition,
2 is hereby amended by adding the following section:-

3 Section 12. No person shall enter into a contract or agreement for the rehabilitation,
4 reconstruction or remodeling of any existing building or structure for equal to or greater than
5 \$250,000 with a subcontractor unless such contract or agreement contains a performance bond,
6 which for the purposes of this section, shall mean an irrevocable financial instrument as security
7 for the faithful performance of the contract and which binds the contractor to fulfill its
8 obligations under contract with any subcontractor. Notwithstanding any other provision of this
9 chapter, a violation of this section shall be an unfair or deceptive act.