

**HOUSE . . . . . No. 1015**

---

**The Commonwealth of Massachusetts**

PRESENTED BY:

*James M. Murphy*

*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 realtive to surety bonds.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>James M. Murphy</i>	<i>4th Norfolk</i>	<i>1/20/2011</i>

**HOUSE . . . . . No. 1015**

By Mr. Murphy of Weymouth, a petition (accompanied by bill, House, No. 1015) of James M. Murphy relative to surety bonds of home improvement contractors. Consumer Protection and Professional Licensure.

**The Commonwealth of Massachusetts**

**In the Year Two Thousand Eleven**

An Act realtive to surety 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 142A of the General Laws, as appearing in the 2010 Official  
2 Edition, is hereby amended by inserting after section 11 the following section:-

3 “Section 11A. Applications for contractor or subcontractor shall be accompanied by a  
4 bond in the amount of \$10,000 and executed by a surety company authorized to transact business  
5 in this state as surety on the bond, with the applicant as Principal on the bond and the state of  
6 Massachusetts as obligee. The bond shall be in addition to any fee to the guaranty fund in  
7 accordance with section 11. In the event of any claim, the claim must first be paid by the bond  
8 and then a claim may be submitted to the guarantee fund.

9 The bond shall be for the benefit of the state of Massachusetts and its consumers, dealing  
10 with the applicant, conditioned that the applicant shall faithfully perform the duties and in all  
11 things comply with the laws, rules or regulations pertaining to the profession or any contracts

12 entered into or losses or damages sustained by the consumer. Payment shall be made upon  
13 receipt of a final judgment entered into by a court of competent jurisdiction in the state.

14           The aggregate liability of the surety, regardless of the number of claims made against the  
15 bond or the number of years the bond remains in force, shall in no event exceed the amount of  
16 the bond. Revisions of the bond shall not be cumulative. The bond may be terminated at any  
17 time by the surety upon sending 30 days notice in writing to the state of Massachusetts and to the  
18 Principal.”

19           SECTION 2. This act shall take effect upon passage.