

State of Arkansas

As Engrossed: H1/28/99

82nd General Assembly

A Bill

Regular Session, 1999

SENATE BILL 26

By: Senator Hill

By: Representative Oglesby

For An Act To Be Entitled

"AN ACT TO REQUIRE CASHIER'S CHECKS WITH BIDS FOR
PURCHASE OF STATE LANDS, FOR STATE AGENCY
CONSTRUCTION, FOR PUBLIC CONSTRUCTION BIDS AND FOR
OTHER PURPOSES. "

Subtitle

"AN ACT TO REQUIRE CASHIER'S CHECKS WITH
BIDS FOR PURCHASE OF STATE LANDS, FOR
STATE AGENCY CONSTRUCTION, AND FOR
PUBLIC CONSTRUCTION BIDS. "

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code 22-6-601(g) is amended to read as follows:

"(g)(1) Each bid shall be accompanied by ~~the bidder's check~~ a cashier's
check, payable to the order of the state agency and drawn upon ~~and certified~~
~~by~~ a bank or trust company doing business in this state, in an amount equal to
one-tenth (1/10) of the bid.

(2) The proceeds of the cashier's check of the successful bidder shall
be credited against the bid upon payment of the balance or shall be retained
by the state agency as liquidated damages upon failure to tender and pay the
balance of the bid price.

(3) ~~Checks~~ Cashier's checks of unsuccessful bidders shall be returned
to them upon the completion of the sale to the successful bidder.

(4) State Building Services shall, at the time and place specified in
the notice, or by announcement then and there, or at some other time or place,

1 open the bids which have been received and proceed to accept the highest bid
2 properly accompanied by a cashier's check for the lands in whole or in part as
3 offered for such sale."

4
5 SECTION 2. Arkansas Code 19-4-1405(d)(1) pertaining to bids submitted
6 to state agencies is amended to read as follows:

7 "(d)(1) Every bid submitted on state agency construction contracts
8 shall be void unless accompanied by a ~~certified check~~ cashier's check drawn
9 upon a bank or trust company doing business in this state or by a corporate
10 bid bond for projects over the amount of fifty thousand dollars (\$50,000). No
11 bid bond shall be required for projects under or equal to the amount of fifty
12 thousand dollars (\$50,000)."

13
14 SECTION 3. Arkansas Code 22-9-203 (2)(A) pertaining to bids on public
15 construction contracts is amended to read as follows:

16 "(2)(A) Every bid submitted on public construction contracts for any
17 political subdivision of the state shall be void unless accompanied by a
18 ~~certified check~~ cashier's check drawn upon a bank or trust company doing
19 business in this state or by a corporate bid bond. Every bid submitted on
20 public construction contracts for the state or any agency or department of the
21 state shall be void unless accompanied by a ~~certified check~~ cashier's check
22 drawn upon a bank or trust company doing business in this state or by a
23 corporate bid bond, except for projects under fifty thousand dollars
24 (\$50,000). No bid bond shall be required for public construction contracts for
25 the state or any agency or department of the state under or equal to fifty
26 thousand dollars (\$50,000)."

27
28 SECTION 4. All provisions of this Act of a general and permanent nature
29 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
30 Revision Commission shall incorporate the same in the Code.

31
32 SECTION 5. If any provision of this Act or the application thereof to
33 any person or circumstance is held invalid, such invalidity shall not affect
34 other provisions or applications of the Act which can be given effect without
35 the invalid provision or application, and to this end the provisions of this
36 Act are declared to be severable.

SECTION 6. All laws and parts of laws in conflict with this Act are hereby repealed.

/s/ Hill