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§ 49-41. Public structures. Bonds for protection of employees and material-

men

(a) Each contract exceeding fifty thousand dollars in amount for the construction, alteration or repair of any public building or public work of the state or of any subdivision thereof shall include a provision that the person to perform the contract shall furnish to the state or the subdivision on or before the award date, a bond in the amount of the contract which shall be binding upon the award of the contract, for the protection of persons supplying labor or materials in the prosecution of the work provided for in the contract for the use of each such person, provided no such bond shall be required to be furnished (1) in relation to any general bid in which the total estimated cost of labor and materials under the contract with respect to which such general bid is submitted is less than fifty thousand dollars, (2) in relation to any sub-bid in which the total estimated cost of labor and materials under the contract with respect to which such sub-bid is submitted is less than fifty thousand dollars, or (3) in relation to any general bid or sub-bid submitted by a consultant, as defined in section 4b-55. Any such bond furnished shall have as principal the name of the person awarded the contract.

(b) Nothing in this section or sections 49-41a to 49-48, inclusive, shall be construed to limit the authority of any contracting officer to require a performance bond or other security in addition to the bond referred to in subsection (a) of this section, except that no such officer shall require a performance bond in relation to any general bid in which the total estimated cost of labor and materials under the contract with respect to which such general bid is submitted is less than twenty-five thousand dollars or in relation to any sub-bid in which the total estimated cost of labor and materials under the contract with respect to which such sub-bid is submitted is less than fifty thousand dollars.

(c) No contract for the construction, alteration or repair of any public building or public work of the state or of any subdivision thereof that requires a person to supply the state or subdivision with a bond may include a provision that requires the person to obtain the bond from a specific surety, agent, broker or producer. No contracting officer may require that a bond be obtained from a specific surety, agent, broker or producer.

(1996, P.A. 96-235, § 13, eff. June 6, 1996; 1997, June 18 Sp.Sess., P.A. 97-11, § 38, eff. July 1, 1997; 2001, P.A. 01-21.)

Historical and Statutory Notes

Amendments  
1996 Amendment. 1996, P.A. 96-235, § 13, in sand dollars" for "twenty-five thousand dollars" in subsec. (a), subd. (3), substituted reference to con- the first clause and in subd. (1).  
1997 Amendment. 1997, June 18 Sp.Sess., P.A. "in subsection (a) of this section" in subsec. (b); added subsec. (c); and made other nonsubstantive 97-11, § 38, in subsec. (a), substituted "fifty thou- changes.

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posed by Act, statutory requirements establish only floor of protection beneath which coverage of payment bond cannot fall, rather than upper limit upon scope of bond's coverage. *Blakeslee Arpaia Chapman, Inc. v. EI Constructors, Inc.* (1997) 687 A.2d 506, 239 Conn. 708.

1. Construction  
As remedial statute, public works statute, which requires bond for payment of labor and materials on public works projects, must be construed broadly in favor of employees whom the legislature intended to benefit. *Commissioner of Labor v. C.J.M. Services, Inc.* (2002) 806 A.2d 1105, 73 Conn.App. 39, certification granted in part 2002 WL 31893660.

2. Construction with other laws  
Although surety's liability on Miller Act bond must be at least coextensive with obligation im-

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Labor and material payment bond, and statute requiring it, serve to protect those who furnish materials and labor on public project by ensuring payment without any undue delay. *Bacott v. Insurance Co. of North America* (1996) 673 A.2d 587, 40 Conn.App. 777.

5. Bonds—In general

If there is any ambiguity in payment bond furnished by surety, it must be interpreted most strongly against surety. *Blakeslee Arpaia Chapman, Inc. v. EI Constructors, Inc.* (1997) 687 A.2d 506, 239 Conn. 708.

Contracting parties who execute payment bond pursuant to statute governing bonds for protection of employees and materialmen on public works projects have authority to expand coverage of bond beyond that required by statute. *Herbert S. Newman and Partners, P.C. v. CFC Const. Ltd. Partnership* (1996) 674 A.2d 1313, 236 Conn. 760.

Payment bond which expressly extended bond's protection to services without restricting location of performance covered services rendered by architectural firm on public works contract, though some ambiguity as to scope of contract existed, where bond was furnished by general contractor and surety and there were no claims of impropriety in contract formation process. *Herbert S. Newman and Partners, P.C. v. CFC Const. Ltd. Partnership* (1996) 674 A.2d 1313, 236 Conn. 750.

Payment bond must be interpreted most strongly against party who furnished bond. *Herbert S. Newman and Partners, P.C. v. CFC Const. Ltd. Partnership* (1996) 674 A.2d 1313, 236 Conn. 750.

8. — Actions or recovery on bonds

General contractor's surety that issued bond to ensure payment of labor and materials regarding public works project involving city's public schools would be liable under public works statute and bond enforcement statute for payment of wages to subcontractor's employees, where employees had not been paid by subcontractor and written notice of nonpayment had been sent to surety. *Commissioner of Labor v. C.J.M. Services, Inc.* (2002) 806 A.2d 1105, 73 Conn.App. 39, certification granted in part 2002 WL 31893660.

"Assignment" forms received by pub which had cashed paychecks for subcontractor's employees, in which employees granted pub their present "rights to collect, sue and otherwise fully prosecute any and all claims," were inescapable of conveying any rights to pub under payment bond issued on public works project, once employees endorsed and delivered checks to pub in exchange for cash, and in absence of any recovery back from them by pub for dishonored checks, employees themselves had

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no right to recover under payment bond statute with regard to those checks. *Dysart Corp. v. Seaboard Sur. Co.* (1997) 688 A.2d 906, 240 Conn. 10.

Equitable considerations did not warrant extending protection of payment bond statute to pub that cashed paychecks for subcontractor's employees, when those checks were subsequently dishonored by subcontractor's bank; pub accumulated checks for over one and one-half months before attempting to deposit any of them, and surety had no notice of, and no way of knowing about, subcontractor's financial problems before it released retainer and paid subcontractor for its work. *Dysart Corp. v. Seaboard Sur. Co.* (1997) 688 A.2d 906, 240 Conn. 10.

General contractor was paid by city for work performed by subcontractor when city paid all sums that were due general contractor and, thus, subcontractor was entitled to receive full payment under subcontractor's pay-when-paid clause, even though city placed lower value of work performed than that provided in subcontract. *Blakeslee Arpaia Chapman, Inc. v. EI Constructors, Inc.* (1997) 687 A.2d 506, 239 Conn. 708.

19. Damages

Damages awarded public works subcontractor under payment bond statute for subcontractor's lost use of equipment which city seized on construction site was properly based on contract by rental guide of associated equipment distributors, as provided in subcontract, without discount to reflect lack of wear and tear because equipment was idle. *Blakeslee Arpaia Chapman, Inc. v. EI Constructors, Inc.* (1997) 687 A.2d 506, 239 Conn. 708.

21. Parties

State commissioner of labor had authority, on behalf of subcontractor's employees who were not paid for work performed on public works project involving city's public schools, to bring action against general contractor and contractor's surety on labor and materials payment bond to enforce payment of wages on bond. *Commissioner of Labor v. C.J.M. Services, Inc.* (2002) 806 A.2d 1105, 73 Conn.App. 39, certification granted in part 2002 WL 31893660.

22. Persons liable

General contractor on public works project involving city's public schools could be held liable, as principal on payment bond, to subcontractor's employees who had not been paid for work performed on project. *Commissioner of Labor v. C.J.M. Services, Inc.* (2002) 806 A.2d 1105, 73 Conn.App. 39, certification granted in part 2002 WL 31893660.