

Bonding Necessary in Public-Private Partnership (P3) Agreements; SB 55

SB 55 revises the Kansas Fairness in Public Construction Contract Act by requiring a contractor involved in a P3 agreement with a public entity to furnish the following bonds:

- A performance bond, which is equal to the full contract amount; and
- A payment bond, which is equal to the full contract amount for the protection of claimants supplying labor or materials to the contractor or subcontractors in the performance of work.

The bill applies to P3 contracts valued at more than \$100,000. The bonds must allow for the recovery of attorney fees and related expenses.

The terms “public-private agreement,” “private contribution,” and “public benefit” are defined in the bill.