

## RS 38:2218



§2218. Evidence of good faith; countersigning

A. The public entity advertising for bids for work shall require the bidders to attach a certified check, cashier's check, or bid bond for not more than five percent of the contract price of work to be done, as an evidence of good faith of the bidder. The public entity advertising for bids for work may require the bidders to attach a certified check, cashier's check, or bid bond for not more than five percent of the estimated price of supplies or materials, as evidence of good faith of the bidder.

B. Repealed by Acts 2001, No. 138, §1, eff. July 1, 2001.

C. If bid bond is used, it shall be written by a surety or insurance company currently on the U.S. Department of the Treasury Financial Management Service list of approved bonding companies which is published annually in the Federal Register, or by a Louisiana domiciled insurance company with at least an A- rating in the latest printing of the A.M. Best's Key Rating Guide to write individual bonds up to ten percent of policyholders' surplus as shown in the A.M. Best's Key Rating Guide or by an insurance company in good standing licensed to write bid bonds which is either domiciled in Louisiana or owned by Louisiana residents.

Acts 1977, No. 103, §1; Acts 1983, No. 105, §1; Acts 1990, No. 139, §1; Acts 1991, No. 748, §1, eff. July 18, 1991; Acts 1995, No. 718, §1, eff. June 21, 1995; Acts 2001, No. 138, §1, eff. July 1, 2001.