HB5660 Engrossed

1 AN ACT concerning finance.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

Section 5. The Public Construction Bond Act is amended by
changing Section 2 as follows:

6 (30 ILCS 550/2) (from Ch. 29, par. 16)

7 Sec. 2. Every person furnishing material or performing 8 labor, either as an individual or as a sub-contractor, 9 hereinafter referred to as Claimant, for any contractor, with the State, or a political subdivision thereof where bond or 10 letter of credit shall be executed as provided in this Act, 11 shall have the right to sue on such bond or letter of credit in 12 13 the name of the State, or the political subdivision thereof 14 entering into such contract, as the case may be, for his use and benefit, and in such suit the plaintiff shall file a copy 15 16 of such bond or letter of credit, certified by the party or parties in whose charge such bond or letter of credit shall be, 17 which copy shall, unless execution thereof be denied under 18 19 oath, be prima facie evidence of the execution and delivery of 20 the original; provided, however, that this Act shall not be 21 taken to in any way make the State, or the political 22 subdivision thereof entering into such contract, as the case may be, liable to such sub-contractor, materialman or laborer 23

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1 to any greater extent than it was liable under the law as it 2 stood before the adoption of this Act.

3 Provided, however, that any Claimant having a claim for labor and material furnished to the State shall have no such 4 5 right of action unless it shall have filed a verified notice of said claim with the officer, board, bureau or department 6 awarding the contract, within 180 days after the date of the 7 8 last item of work or the furnishing of the last item of 9 materials, and shall have furnished a copy of such verified 10 notice to the contractor within 10 days of the filing of the 11 notice with the agency awarding the contract.

12 When any Claimant has a claim for labor and material 13 furnished to a political subdivision, the Claimant shall have no right of action unless it shall have filed a verified notice 14 15 of that claim with the Clerk or Secretary of the political 16 subdivision within 180 days after the date of the last item of 17 work or furnishing of the last item of materials, and shall have filed a copy of that verified notice upon the contractor 18 19 in a like manner as provided herein within 10 days after the 20 filing of the notice with the Clerk or Secretary.

The Claimant may file said verified notice by using personal service or by depositing the verified notice in the United States Mail, postage prepaid, certified or restricted delivery return receipt requested limited to addressee only. <u>The verified notice shall be deemed filed on the date personal</u> service occurs or the date when the verified notice is mailed HB5660 Engrossed - 3 - LRB099 18129 MLM 42495 b

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in the form and manner provided in this Section.

2 The claim shall be verified and shall contain (1) the name and address of the claimant; the business address of the 3 Claimant within this State and if the Claimant shall be a 4 5 foreign corporation having no place of business within the State, the notice shall state the principal place of business 6 of said corporation and in the case of a partnership, the 7 notice shall state the names and residences of each of the 8 9 partners; (2) the name of the contractor for the government; 10 (3) the name of the person, firm or corporation by whom the 11 Claimant was employed or to whom he or it furnished materials; 12 (4) a brief description of the public improvement; (5) a description of the Claimant's contract as it pertains to the 13 public improvement, describing the work done by the Claimant 14 15 and stating the total amount due and unpaid as of the date of 16 verified notice.

No defect in the notice herein provided for shall deprive the Claimant of his right of action under this article unless it shall affirmatively appear that such defect has prejudiced the rights of an interested party asserting the same.

Provided, further, that no action shall be brought later than one year after the date of the furnishing of the last item of work or materials by the Claimant. Such action shall be brought only in the circuit court of this State in the judicial circuit in which the contract is to be performed.

26 The remedy provided in this Section is in addition to and

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independent of any other rights and remedies provided at law or in equity. A waiver of rights under the Mechanics Lien Act shall not constitute a waiver of rights under this Section unless specifically stated in the waiver.

5 (Source: P.A. 97-487, eff. 1-1-12.)