

ASSEMBLY TRANSPORTATION AND INDEPENDENT  
AUTHORITIES COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3943

**STATE OF NEW JERSEY**

DATED: MARCH 4, 2024

The Assembly Transportation and Independent Authorities Committee reports favorably Assembly Bill No. 3943.

As reported, this bill requires a surety to take certain actions after assuming responsibility for the completion of a transportation project.

Specifically, the bill provides that when a surety assumes responsibility for the completion of a transportation project, the surety would be required to: (1) enter into a contract with a contractor for the completion of the transportation project within 60 calendar days; and (2) require the contractor to begin, or otherwise resume, construction of the transportation project within 60 calendar days of the execution of the contract.

The bill would also apply to any surety that is responsible for the completion of a transportation project on the date of enactment of the bill, except that:

(1) if the surety has not entered into a contract with a contractor for the completion of the transportation project on or before the date of enactment, the surety would be required to enter into such contract within 60 calendar days of the bill's enactment and require the contractor to begin, or otherwise resume, construction of the transportation project within 60 calendar days of the execution of the contract;

(2) if the surety has entered into a contract with a contractor for the completion of the transportation project, but the contractor has not begun, or otherwise resumed, construction of the transportation project on the date of enactment, the surety would be required to require the contractor to begin, or otherwise resume, construction of the transportation project within 60 days of the bill's enactment; and

(3) the requirements of the bill would not apply if the surety has entered into a contract, and the contractor has begun, or otherwise resumed, construction of the transportation project on or before the bill's enactment.

A surety that violates the bill's provisions is subject to a penalty of not less than \$10,000 for each day a surety is not in compliance.