

574.30 INSOLVENT OR INSUFFICIENT SURETIES.

When, in the public body's judgment, a surety on a bond required by the act is insolvent, or for any cause is no longer a proper or sufficient surety, the public body may require the contractor to furnish a new or additional bond within ten days; and thereupon, if so ordered by the public body, all work on the contract must cease until the new or additional bonds are furnished. If the bonds are not furnished within the ten days, the public body may, at its option, terminate the contract and complete the same as the agent, and at the expense of the contractor and its sureties.

History: (9704) *RL s 4538; 1986 c 444; 1994 c 419 s 10; 1995 c 31 s 4*