

**574.263 NATURAL RESOURCE DEVELOPMENT PROJECTS.**

Subdivision 1. **Definition.** For the purposes of this section and section 574.264, "natural resource development project" includes site preparation by discing, shearing, rock raking or piling, patch scarification, or furrowing; prairie restoration; creation of wildlife openings and other wildlife habitat improvements; landscape clearing; tree planting; tree seeding; tree pruning; timber stand improvement by thinning or clearing existing forest trees by manual, mechanical, or chemical techniques; or construction, reconstruction, and maintenance of Department of Natural Resources trails, public accesses, water control structures, fish barriers, sewage treatment systems, roads, and bridges.

Subd. 2. **Contractor's bond.** A contract with the state for a natural resource development project may require a performance bond at the discretion of the commissioner of natural resources. If the commissioner determines that a performance bond is required, it shall not be less than five percent of the contract price.

Subd. 3. **Bid deposit in place of performance bond.** For a contract made by the commissioner for a natural resource development project, the commissioner may require a bid deposit in place of a performance bond for charges that may accrue because of doing the specified work and to enforce the terms of the contract. The commissioner may set the amount of the bid deposit, but it may not be less than five percent of the contract price.

Subd. 4. **Payment bond.** A contract with the state for a natural resource development project may require a payment bond at the discretion of the commissioner of natural resources. If the commissioner determines that a payment bond is required, the commissioner also has the discretion to decide whether the bond may be in the form of securities in place of a bond as provided in section 574.264. If so, the securities cannot have less value than five percent of the contract price.

**History:** 1985 c 112 s 3; 1994 c 419 s 4,5; 1999 c 231 s 189