**70:07:02:09.  Assignment of work classification and maximum bidding capacity rating.** The committee may assign a work classification and maximum bidding capacity rating based on the following factors:

 (1)  The prospective bidder's ability to finance the work as shown by the prospective bidder's audited financial statement, surety statement, surety bond, independent audit, or debt records and other financial documents;

 (2)  The ownership, sufficiency, condition, and availability of the prospective bidder's equipment;

 (3)  The work abilities and experience of the prospective bidder and its personnel; and

 (4)  The quality and timeliness of the prospective bidder's work on contracts with the department and other awarding authorities.

 A maximum bidding capacity rating may not exceed ten times the amount of a prospective bidder's working capital. The committee may consider a bank line of credit to increase the prospective bidder's working capital. The prospective bidder shall describe the line of credit on a form furnished by the committee.

 If a certification of surety is furnished in accordance with subdivision 70:07:02:04(1), then the maximum bidding capacity rating may not exceed the maximum bonding coverage for all the prospective bidder's work; and the prospective bidder may not submit a bid for more than the maximum bonding coverage for a single contract.

 If an audited financial statement is furnished, the prospective bidder may not bid more than 50 percent of the maximum bidding capacity on any single construction contract.

 **Source:** SL 1975, ch 16, § 1; 8 SDR 45, effective October 28, 1981; 13 SDR 129, 13 SDR 134, effective July 1, 1987; transferred from § 70:01:05:07, 19 SDR 154, effective April 11, 1993; 25 SDR 145, effective May 30, 1999; 40 SDR 121, effective January 6, 2014; 47 SDR 38, effective October 6, 2020; 49 SDR 47, effective November 21, 2022.

 **General Authority:** SDCL 31-5-10.

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