

2020 Regular Session

SENATE BILL NO. 118

BY SENATOR SMITH

PUBLIC CONTRACTS. Provides relative to the public works law. (1/1/20)

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AN ACT

To amend and reenact R.S. 38:2212(C)(1), relative to public works projects; to increase the "contract limit" for public works; to provide for a date for the annual adjustment of the "contract limit" for public works; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 38:2212(C)(1) is hereby amended and reenacted to read as follows:

§2212. Advertisement and letting to lowest responsible and responsive bidder; public work; electronic bidding; participation in ~~mentor-protégé~~ **mentor-protégée** program; exemptions

* * *

C.(1) Except as provided in Paragraphs (2), (3), and (4) of this Subsection, the term "contract limit" as used in this Section shall be equal to the sum of ~~one~~ **two** hundred fifty thousand dollars per project, including labor, materials, and equipment as per the rates in the latest edition of the Associated Equipment Dealers Rental Rate Book and administrative overhead not to exceed fifteen percent, provided that beginning February 1, ~~2015~~ **2025**, and annually on February first of each subsequent

1 year, the office of facility planning and control within the division of administration
 2 shall adjust the "contract limit" by an amount not to exceed the annual percentage
 3 increase in the Consumer Price Index in the preceding year. The office of facility
 4 planning and control within the division of administration shall publish the new
 5 contract limit for public works contracts in the Louisiana Register in January of each
 6 year.

7 * * *

8 Section 2. This Act shall become effective on January 1, 2020.

The original instrument and the following digest, which constitutes no part
 of the legislative instrument, were prepared by Martha S. Hess.

DIGEST

SB 118 Original

2020 Regular Session

Smith

Present law provides that all public work exceeding the contract limit, including labor and materials, to be done by a public entity shall be advertised and let by contract to the lowest responsible and responsive bidder who bid according to the bidding documents as advertised, and that no such public work shall be done except as provided in present law.

Present law provides, with certain exceptions, that the term "contract limit" shall be equal to the sum of \$150,000 per project, including labor, materials, and equipment as per the rates in the latest edition of the Associated Equipment Dealers Rental Rate Book and administrative overhead not to exceed 15%. Provides that beginning February 1, 2015, and annually on February first of each subsequent year, the office of facility planning and control within the division of administration shall adjust the "contract limit" by an amount not to exceed the annual percentage increase in the Consumer Price Index in the preceding year. The contract limit published in the Louisiana Register in the January 2019 edition is \$157,700.

Proposed law increases the contract limit from \$150,000 per project, adjusted annually beginning February 1, 2015, to \$250,000 per project, adjusted annually beginning February 1, 2025.

Effective January 1, 2020.

(Amends R.S. 38:2212(C)(1))