

2020 Regular Session

HOUSE BILL NO. 758

BY REPRESENTATIVE ZERINGUE

PUBLIC CONTRACTS: Provides relative to payments under public contract

1 AN ACT

2 To enact R.S. 38:2211(A)(14) and 2248(C), relative to payment of obligations arising under  
3 public contracts; to allow public entities to withhold liquidated damages for public  
4 works contracts under certain circumstances; to provide for definitions; and to  
5 provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 38:2211(A)(14) and 2248(C) are hereby enacted to read as follows:

8 §2211. Definitions

9 A. As used in this Chapter unless the context clearly indicates otherwise, the  
10 following terms shall mean:

11 \* \* \*

12 (14) "Liquidated Damages" means a fixed sum of damages stipulated in a  
13 public works construction contract that are intended to compensate a public entity  
14 as a result of a delay in performance by the contractor and may be assessed for a  
15 project not being substantially complete within the time provided for by the public  
16 works contract.

17 \* \* \*

18 §2248. Provisions for withholding payment; effect on liability of contractor or  
19 agency; punch list; liquidated damages

20 \* \* \*

- 1            C. A public entity letting a public works construction contract, as per the  
2            terms of the contract, may withhold liquidated damages from any payments or  
3            monies otherwise due to the contractor, taking into consideration all granted time  
4            extensions.
- 

## DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

---

HB 758 Reengrossed

2020 Regular Session

Zeringue

**Abstract:** Allows public entities to withhold liquidated damages for public works contracts.

Present law provides for definitions relative to public contracts.

Proposed law adds a definition for "liquidated damages".

Present law provides provisions for withholding payments for public works contracts.

Proposed law adds a provision allowing a public entity letting a public works construction contract to withhold liquidated damages from monies due to the contractor.

(Adds R.S. 38:2211(A)(14) and 2248(C))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Appropriations to the original bill:

1. Grant limited authority to waive prompt payment obligations by contract for liquidated or delay damages.

The House Floor Amendments to the engrossed bill:

1. Remove authority to waive prompt payment obligations by contract for liquidated or delay damages.
2. Define "liquidated damages".
3. Add a provision allowing a public entity letting a public works construction contract to withhold liquidated damages from monies due to the contractor.