

RÉSUMÉ DIGEST

ACT 92 (HB 758)

2020 Regular Session

Zeringue

Existing law establishes guidelines and restrictions for public contracts.

New law defines "liquidated damages" as they relate to public contracts as a fixed sum of damages stipulated in a public works construction contract that is intended to compensate a public entity for damages due to delay in performance or failure to substantially complete a project within the time provided for by the contract.

Existing law prohibits a public entity from withholding payments for public works contracts.

New law adds an exception for flood protection and integrated coastal protection projects, authorizing the withholding of liquidated damages from monies due a contractor *if* the contract allows such withholding *and* the 45-day claim period for subcontractors, laborers, and materialmen has expired.

Effective Aug. 1, 2020.

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