
DIGEST

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HB 457 Reengrossed

2022 Regular Session

Carpenter

Abstract: Authorizes the governing authority of the city of Baton Rouge and the parish of East Baton Rouge to set aside a certain percentage of contracts for goods and services, including construction, to be awarded to socially and economically disadvantaged businesses.

Present law generally authorizes every political subdivision in the state, through its respective fiscal officer or director of finance, to designate and set aside each fiscal year for awarding to minority businesses, an amount up to 10% of the value of anticipated local procurement of goods and services including construction. Provides that nothing in present law should be construed to prohibit the governing authority from setting aside an amount greater than 10%. Provides for eligibility and certification requirements.

Proposed law retains present law.

Present law provides an exception for the city of Shreveport and any board, agency, or commission of that city. Authorizes the entities to designate and set aside each fiscal year not less than 10% of the value of local procurement of goods and services including construction for awarding to economically disadvantaged businesses. Provides for eligibility and certification requirements.

Proposed law retains present law.

Proposed law provides another exception for the city of Baton Rouge/parish of East Baton Rouge (city-parish). Authorizes the city-parish governing authority and any board, agency, or commission of the city-parish to designate and set aside not less than 10% and not more than 25% of the value of local procurement of goods and services, including construction or doing of public work for awarding to socially and economically disadvantaged businesses. Provides for eligibility and certification requirements.

Proposed law provides for division of contract awards into units to facilitate offers or bids from socially and economically disadvantaged businesses. Authorizes varying the goods and services designated for set-asides.

Proposed law requires the city-parish to adopt rules and regulations to implement proposed law. Requires certification as a socially and economically disadvantaged business by the city-parish governing authority. Authorizes establishment of a contract award procedure for such set-asides. Additionally authorizes adoption of a requirement that the prime contractor award a certain

percentage, not to exceed 25%, of total dollar bids to economically disadvantaged subcontractors.

Proposed law requires the city-parish, or any board, agency, or commission of the city-parish to award the balance of procurement set-sides pursuant to present law solicitation, bid evaluations, and contract award provisions if they are unable to award all of their set-asides to socially and economically disadvantaged businesses.

(Adds R.S. 38:2233.4)

Summary of Amendments Adopted by House

The House Floor Amendments to the engrossed bill:

1. Cap the set-aside amount at 25% of the value of anticipated local procurement of goods and services.
2. Cap the amount that the prime contractor can set aside at 25% of the total dollar bid.