

2024 Regular Session

HOUSE BILL NO. 797

BY REPRESENTATIVE COATES

PUBLIC CONTRACT/BIDS: Prohibits a hospital service district from using "construction management at risk" for projects estimated to cost less than two million dollars

1 AN ACT

2 To amend and reenact R.S. 38:2225.2.4(A)(3), relative to hospital service districts; to
3 exclude use of "construction management at risk" (CMAR) projects that cost less
4 than two million dollars; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 38:2225.2.4(A)(3) is hereby amended and reenacted to read as
7 follows:

8 §2225.2.4. Construction management at risk; public entity

9 A.

10 * * *

11 (3) CMAR shall not be used for any project that is estimated to cost less than
12 five million dollars, exclusive of a hospital service district as defined by R.S.
13 46:1072(2)(a) that may not use CMAR for any project estimated to cost less than two
14 million dollars. At least sixty days prior to proceeding to use CMAR for any project
15 that is estimated to cost less than fifteen million dollars, a public entity shall deliver
16 written notification of the proposed CMAR project by name and description of the
17 project, together with the reason to use CMAR, to the House and Senate
18 transportation, highways, and public works committees for review and approval.

19 * * *

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 797 Original

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Abstract: Prohibits the use of "construction management at risk" for projects that cost less than two million dollars for hospital service districts.

Present law prohibits "construction management at risk" (CMAR) from being used for any project that is estimated to cost less than \$5,000,000.

Proposed law adds an exception for hospital service districts as defined by present law, which may not use CMAR for projects that cost less than \$2,000,000.

(Amends R.S. 38:2225.2.4(A)(3))