

2024 Regular Session

SENATE BILL NO. 169

BY SENATOR WOMACK

CONTRACTS. Provides relative to payments under contract by public entites. (gov sig)

1 AN ACT

2 To enact R.S. 38:2191(E), relative to payments under contract by public entities; to provide
3 relative to payments due on certain public works contracts; and to provide for related
4 matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 38:2191(E) is hereby enacted to read as follows:

7 §2191. Payments under contract

8 * * *

9 **E. A declaration that a public works contract is null and void as being**
10 **contrary to the provisions of R.S. 38:2211 et seq., shall not affect amounts due**
11 **and payable under the contract, including overhead and profit, for the work**
12 **performed by or on behalf of the contractor unless the award of the contract**
13 **resulted from a lower bidder being declared nonresponsive following an**
14 **objection raised by, or lawsuit filed by, the contractor awarded the contract.**

15 Section 2. This Act shall become effective upon signature of the governor or, if not
16 signed by the governor, upon expiration of the time for bills to become law without signature
17 by the governor, as provided in Article III, Section 18 of the Constitution of Louisiana. If

1 vetoed by the governor and subsequently approved by the legislature, this Act shall become
2 effective on the day following such approval.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Emily Toler.

DIGEST

SB 169 Engrossed

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Present law provides all public entities shall promptly pay obligations including approved change orders, arising under public contracts when the obligations become due and payable under the contract.

Proposed law retains present law.

Proposed law provides that a declaration that a public works contract is null and void shall not affect amounts due and payable under the contract, including overhead and profit, for the work performed by or on behalf of the contractor unless the award of the contract resulted from a lower bidder being declared nonresponsive following an objection raised by, or lawsuit filed by, the contractor awarded the contract.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Adds R.S. 38:2191(E))