

RÉSUMÉ DIGEST

ACT 761 (SB 265)

2024 Regular Session

Womack

Existing law provides that the payment provisions of all bonds furnished for public works contracts required to be construed as and deemed statutory bond provisions.

New law provides a surety who has furnished such a bond is not precluded from asserting any defense to the principal obligation that its principal could assert except lack of capacity or discharge in bankruptcy of the principal obligor and otherwise retains existing law.

Existing law provides that nothing may deprive any claimant, of a right of action on the bond furnished for a public works contract, provided that an action must be initiated against the surety or the contractor or both within one year from either the registry of acceptance of the work or of notice of default of the contractor.

New law requires that a surety who has furnished such a bond is not precluded from asserting any defense to the principal obligation that its principal could assert except lack of capacity or discharge in bankruptcy of the principal obligor and otherwise retains existing law.

Existing law provides that the payment provisions of all bonds furnished for Dept. of Transportation and Development contracts shall be construed as and deemed statutory bond provisions.

New law provides nothing shall be construed to preclude a surety who has furnished such a bond from asserting any defense to the principal obligation that its principal could assert except lack of capacity or discharge in bankruptcy of the principal obligor and otherwise retains existing law.

Existing law provides nothing shall deprive any claimant, who has complied with the notice and recordation requirements of the law, of a right of action on the bond furnished for a department contract provided that action must be brought against the surety or the contractor or both within one year from the registry of acceptance of the work or of notice of default of the contractor.

New law provides nothing shall be construed to preclude a surety who has furnished such bond from asserting any defense to the principal obligation that its principal could assert except lack of capacity or discharge in bankruptcy of the principal obligor and otherwise retains existing law.

New law requires that a surety issue payment to a materialman under certain conditions if the materials conform to the material specifications, a notice of nonpayment has been issued after 45 days, and no payment in full has been made to a materialman within 90 days after delivery of the materials.

New law mandates that a surety pay a materialman within 10 days after notice of nonpayment, if certain statutory requirements are satisfied.

New law provides the claim and right to payment of a materialman is in addition to any other rights, claims, or remedies available.

New law requires notice to be served by registered or certified United States mail in a postage prepaid, properly addressed envelope to the last known address of the general contractor, surety, and owner with a return receipt indicating that the letter was delivered, refused, or unclaimed to satisfy notice provisions.

New law exempts all contracts for projects that are directly associated with the preparation of Super Bowl LIX from the provisions of existing law relative to public works contracts, except for contracts for projects in excess of \$150,000. Further provides that the exemption terminates on February 10, 2025.

Effective June 19, 2024.

(Amends R.S.38:2241(C) and 2247 and R.S. 48:256.3(B) and 256.12; adds R.S. 38:2241(G))

