

First Extraordinary Session, 2005

SENATE BILL NO. 22

BY SENATOR JONES

PUBLIC CONTRACTS. Provides for certain contract limits for public works projects as a result of a gubernatorially declared disaster or emergency. (gov sig)

1 AN ACT

2 To amend and reenact the introductory paragraph of R.S. 38:2212(A)(1)(d) and to enact  
3 R.S. 38:2212(A)(1)(d)(iv), relative to letting contracts for public works; to provide  
4 for certain contract limits for public works as a result of a gubernatorially declared  
5 disaster or emergency; to provide for certain qualifications of contractors; to provide  
6 for certain goals relative to contract awards; to provide for an effective date; and to  
7 provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. The introductory paragraph of R.S.38:2212(A)(1)(d) is hereby amended  
10 and reenacted and R.S. 38:2212(A)(1)(d)(iv) is hereby enacted to read as follows:

11 §2212. Advertisement and letting to lowest responsible bidder; public work;  
12 electronic bidding; participation in mentor-protégé program

13 A.(1)

14 \* \* \*

15 (d) **Except as provided in R.S. 38:2212(d)(iv) herein,** the term "contract  
16 limit" as used herein shall be equal to the sum of one hundred thousand dollars per  
17 project, including labor, materials, and equipment as per the rates in the latest edition

1 of the Associated Equipment Dealers Rental Rate Book and administrative overhead  
2 not to exceed fifteen percent; however:

3 \* \* \*

4 (iv) For any public work to be done by the state of Louisiana, or any  
5 agency, board, commission, department, or public corporation of the state,  
6 created by the constitution or statute, but excluding any local governmental  
7 subdivision or political subdivision as defined by Article IV, Section 44 of the  
8 Constitution of Louisiana, that is administered by the division of  
9 administration, office of facility planning and control which public work is  
10 necessitated as a result of a gubernatorially declared disaster or emergency, the  
11 contract limit shall be equal to the sum of \_\_\_\_\_ dollars, including  
12 labor, materials, and equipment as per the rates in the latest edition of the  
13 Associated Equipment Dealers Rental Rate Book and administrative overhead  
14 not to exceed \_\_\_\_\_ percent; however:

15 (aa) In the award of contracts for public work, a preference shall be  
16 given to contractors domiciled in the state of Louisiana. For the purpose of this  
17 Item, a foreign corporation that has qualified to do business in the state of  
18 Louisiana in the manner required by law more than six months prior to  
19 declaration of disaster or emergency shall be considered to be a contractor  
20 domiciled in the state of Louisiana for the purpose of an award of a contract for  
21 such public work.

22 (bb) An additional preference shall be given to contractors which  
23 employ persons displaced from their homes by the declared disaster or  
24 emergency.

25 (cc) The office of facility planning and control shall establish bid award  
26 incentives such that not less than twenty percent of such contracts shall be  
27 awarded to contractors or businesses owned by women or minorities. The  
28 director of the office of facility planning and control shall promulgate rules and  
29 regulations governing the implementation of these provisions.

1                    **(dd) The provisions and requirements of this Item shall not be waived**

2                    **by any public entity subject to such provisions.**

3                                            \*            \*            \*

4                    Section 2. This Act shall become effective upon signature by the governor or, if not  
5 signed by the governor, upon expiration of the time for bills to become law without signature  
6 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
7 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
8 effective on the day following such approval.

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The original instrument and the following digest, which constitutes no part  
of the legislative instrument, were prepared by Jay R. Lueckel.

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#### DIGEST

Present law provides that all public work exceeding the contract limit, including labor and materials to be done by a public body, shall be advertised and let to the lowest responsible bidder.

Present law defines the contract limit to equal the sum of one hundred thousand dollars per project, including labor, materials, and equipment as per the rates of the latest edition of the Associated Equipment Dealers Rental Rate Book and administrative overhead not to exceed 15%. Present law also provides a contract limit for Public Safety and Corrections projects using inmate labor and specifies a contract limit for certain bridge projects performed by parishes with less than 16,000 population.

Proposed law retains present law and adds a contract limit for public works administered by the division of administration's office of facility planning and control which is necessitated as a result of gubernatorially declared disaster or emergency. Proposed law defines the contract limit for such projects to be \_\_\_\_\_ dollars with the administrative overhead not to exceed \_\_\_\_\_ percent.

Proposed law further provides a preference be given to contractors domiciled in the state at least 6 months prior to the disaster declaration and an additional preference be given to contractors which employ persons displaced from their homes by the disaster.

Proposed law requires the office of facility planning and control to establish bid award incentives such that not less than 20% of the awards be made to contractors or businesses which are owned by women or minorities. Authorizes the director of the office of facility planning and control to promulgate rules and regulations governing the implementation of such provisions.

Proposed law prohibits the waver of such provisions by public entities subject to this contract limit.

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

(Amends R.S. 38:2212(A)(1)(d) (intro para) and adds R.S. 38:2212(A)(1)(d)(iv))