

1 and itemized as to costs, including material quantities, material costs, **equipment**
2 **used, labor,** taxes, insurance, employee benefits, other related costs, profit, and
3 overhead.

4 (a) Where certain unit prices are contained in the initial contract, no
5 deviations shall be allowed in computing negotiated change order costs **unless**
6 **specified in contract documents. A unit price change order shall be submitted**
7 **to the designer of record or in the absence of the designer, the public entity,**
8 **within thirty days from the date of discovery of the work to be performed by the**
9 **change order.**

10 (b) **Any change order requiring new pricing by the contractor shall be**
11 **submitted to the designer of record or in the absence of the designer, the public**
12 **entity, within forty-five days from the date of discovery of the work to be**
13 **performed by the change order.**

14 (c) **For any change order requiring redesign, the redesign shall not take**
15 **more than ninety days from the date of discovery of the work to be performed**
16 **by the change order. Extensions of time may be granted by the public entity if**
17 **necessary for redesign. Once the redesign is complete, the contractor shall**
18 **submit the cost estimate to the designer of record or in the absence of the**
19 **designer, the public entity, for the change order within forty-five days for the**
20 **redesigned work under the change order.**

21 (d) **For any change order, the public entity shall have forty-five days**
22 **from the submittal of the change order to the public entity, to negotiate, and**
23 **approve or reject the contractor's proposed cost estimate of the work to be**
24 **performed by the change order. Extensions of time may be granted by mutual**
25 **agreement or as necessary for the public entity to obtain governmental**
26 **approval. The contractor shall not be required to provide to the public entity**
27 **any schedule updates incorporating a change order until that change order is**
28 **executed unless the schedule is needed for evaluation of the proposed change**
29 **order.**

1 **(e) The provisions of this Paragraph shall not be waived by contract.**

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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Archana D. Cadge.

SB 83 Original DIGEST 2023 Regular Session Womack

Present law provides when a change order is negotiated, the public entity shall require that the change order be fully documented and itemized as to costs, including material quantities, material costs, taxes, insurance, employee benefits, other related costs, profit, and overhead.

Proposed law retains present law and adds equipment use and labor to fully documented itemized costs.

Present law provides where certain unit prices are contained in the initial contract, no deviations shall be allowed in computing the negotiated change order.

Proposed law provides exceptions to present law allowing unit price change orders submitted to the designer or public entity within 30 days from the date of discovery of the work to be performed by the change order, or change orders requiring new pricing be submitted within 45 days from the date of discovery of the work to be performed by the change order.

Proposed law further provides for any change orders requiring redesign, provided the redesign shall not take more than 90 days from the date of discovery of the work to be performed by the change order. Proposed law further provides extensions of time may be granted if necessary for redesign. Once the redesign is complete, the contractor shall submit the cost estimate to the designer or the public entity, for the change order within 45 days for the redesigned work under the change order.

Proposed law provides for any change order, the public entity shall have 45 days from the submittal of the change order to negotiate, approve, or reject the contractor's proposed cost estimate of the work. Proposed law further provides extensions of time may be granted by mutual agreement or as necessary for the public entity to obtain governmental approval.

Proposed law provides the contractor shall not be required to provide any schedule updates incorporating a change order until that change order is executed, unless the schedule is needed for evaluation of the proposed change order.

Proposed law provides the exceptions established in proposed law shall not be waived by contract.

Effective August 1, 2023.

(Amends R.S. 38:2212(M)(5))