

SENATE BILL NO. 83

BY SENATOR WOMACK

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

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AN ACT

To amend and reenact R.S. 38:2212(M)(5), relative to change orders; to provide for documentation of change orders; to provide for exceptions related to unit price change of change orders; to provide for new pricing change orders and redesign change orders; to provide for contract limitations on change orders; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 38:2212(M)(5) is hereby amended and reenacted to read as follows:

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

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M. \* \* \*

(5) Any change order pertaining to public work, not required by this Part to be let out for public bid, shall either be negotiated in the best interest of the public entity or let out for public bid as provided by this Part. Where the change order is negotiated, the public entity shall require that such change order be fully documented and itemized as to costs, including material quantities, material costs, equipment

1 used, labor, taxes, insurance, employee benefits, other related costs, profit, and  
2 overhead.

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

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

13 (c) For any change order requiring redesign, the redesign shall not take  
14 more than ninety days from the date of notification by the contractor to the  
15 designer of record or in the absence of the designer, the public entity, of the  
16 discovery of work to be performed by the change order. Extensions of time may  
17 be granted by the public entity if necessary for redesign. Once the redesign is  
18 complete, the contractor shall submit the cost estimate to the designer of record  
19 or in the absence of the designer, the public entity, for the change order within  
20 thirty days for the 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 shall be granted as necessary for the public entity to obtain  
26 governmental approval. The contractor shall not be required to provide to the  
27 public entity any schedule updates incorporating the change order until that  
28 change order is executed unless the schedule is needed for evaluation of the  
29 proposed change order.

30 (e) Except where a public work does not exceed the contract limit as

1 defined in this Section, the provisions of R.S. 38:2212(M) in regard to change  
2 orders shall not be waived by contract.

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PRESIDENT OF THE SENATE

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_