

Regular Session, 2011

HOUSE BILL NO. 378

BY REPRESENTATIVE ELLINGTON

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

PUBLIC CONTRACTS: Provides relative to payments made under public contracts

1 AN ACT

2 To amend and reenact R.S. 38:2191, relative to public contracts; to provide for progressive
3 stage payments made under public contracts; and to provide for related matters.

4 Be it enacted by the Legislature of Louisiana:

5 Section 1. R.S. 38:2191 is hereby amended and reenacted to read as follows:

6 §2191. Payments under contract

7 A. All public entities shall promptly pay all obligations arising under public
8 contracts when the obligations become due and payable under the contract. All
9 progressive stage payments and final payments shall be paid when they respectively
10 become due and payable under the contract.

11 B. Any public entity failing to make progressive stage payments within thirty
12 days of the due date shall be liable for reasonable attorney fees.

13 ~~B.C.~~ Any public entity failing to make any final payments after formal final
14 acceptance and within forty-five days following receipt of a clear lien certificate by
15 the public entity shall be liable for reasonable ~~attorneys~~ attorney fees.

16 ~~C.D.~~ The provisions of this Section shall not be subject to waiver by
17 contract.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Ellington

HB No. 378

Abstract: Provides for payment of progressive stage payments under public contracts.

Present law provides that all public entities must promptly pay all progressive stage payments and final payments when they become due and payable under the contract, without waiver by contract. Further provides that any public entity failing to make any final payments after formal final acceptance and within 45 days following receipt of a clear lien certificate by the public entity shall be liable for reasonable attorney fees.

Proposed law retains present law and adds that any public entity failing to make progressive stage payments within 30 days of the due date shall be liable for reasonable attorney fees.

(Amends R.S. 38:2191)