
DIGEST

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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 any progressive stage payments arbitrarily or without reasonable cause, or any final payment when due as set out in present law, shall be subject to mandamus to compel the payment of the sums due under the contract up to the amount of the appropriation made for the award and execution of the contract.

(Amends R.S. 38:2191)

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Transportation, Highways and Public Works to the original bill.

1. Deleted language stating any public entity failing to make progressive payments within 30 days of the due date shall be liable for reasonable attorney fees.
2. Added that any public entity failing to make any progressive stage payments arbitrarily or without reasonable cause, or any final payment when due as set out in present law, shall be subject to mandamus to compel the payment of the sums due under the contract up to the amount of the appropriation made for the award and execution of the contract.
3. Made technical changes.