

Prior law required all public entities to promptly pay all obligation arising under public contracts. Required public entities to pay progressive stage payments and final payments when they become due and payable under the contract.

Prior law provided 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 is liable for reasonable attorney fees.

New law retains prior law and adds liability for reasonable attorney fees when a public entity fails to pay any progressive stage payment within 45 days following receipt of a certified request for payment by the public entity without reasonable cause.

Prior law provided that any public entity who fails to pay any progressive stage payments arbitrarily or without reasonable cause, or any final payment when due under existing law, is 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.

New law retains prior law and adds that a public entity is subject to mandamus to compel payment of authorized plan changes.

Effective August 1, 2014.

(Amends R.S. 38:2191(B) and (D))