

## RÉSUMÉ DIGEST

ACT 519 (SB 195)

2016 Regular Session

Cortez

Prior law provided that it is the policy of Louisiana that the state, agencies and political subdivisions select providers of design professional services on the basis of competence and qualifications for a fair and reasonable price. Further prohibited the use of price or price related information as a factor in the selection process. Prior law made an exception to state policy for design-build contracts let by DOTD and certain political subdivisions, public-private partnership contracts let by the La. Transportation Authority (LTA) and certain port projects.

New law adds to the exception in prior law public-private partnership contracts entered into by DOTD and corrects the sunset date for design-build port projects to conform to prior law.

Prior law authorized the LTA to enter into public-private partnership contracts for the construction of qualified transportation facility projects. Provided a process for approval of both solicited and unsolicited projects by LTA. Authorized LTA to adopt guidelines that include criteria for selecting among competitive proposals, timelines for selecting proposals, and for negotiating a comprehensive agreement. Provided for approval of a service contract and authorized the dedication of public property to the project. Specifically provided for the powers and duties of private entities who are parties to such agreements and the required elements of the comprehensive agreement. Provided for funding, material default and remedies, acquisition of property and projects, procurement, utility crossings, police powers and dedication of assets upon termination of the agreement. New law retains these provisions.

New law authorizes DOTD to solicit proposals for and enter into contracts for public-private partnership projects for a transportation facility, provided the department complies with current provisions are applicable to public-private partnership projects of the LTA when the secretary determines a public-private partnership is in the best interest of taxpayers and with approval of the House and Senate transportation, highways, and public works committees. New law requires that current provisions relative to the payment of a bond and the process for the payment of the claim of a contractor be applicable in the same manner as any other department projects.

New law requires that 25% of public-private partnership projects undertaken by DOTD be located outside the boundaries of a metropolitan planning area as defined in federal law (23 U.S.C. 134).

New law requires that solicitations for public-private partnership projects outside the boundaries of any metropolitan planning area as defined in federal law (23 U.S.C. 134) be subject to the approval of the House and Senate committee on agriculture, forestry, aquaculture and rural development in addition to the approval of the House and Senate committees on transportation, highways and public works.

New law prohibits the department from receiving an unsolicited proposal for a public-private partnership project.

Effective upon signature of the governor (June 13, 2016).

(Amends R.S. 38:2318.1(B); adds R.S. 48:250.4)