
DIGEST

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HB 209 Engrossed

2025 Regular Session

Brass

Abstract: Increases the "contract limit" for public works projects in Ascension Parish. Requires a bond for each contract over \$500,000 in Ascension Parish.

Present law provides, with certain exceptions, that the term "contract limit" shall be equal to the sum of \$150,000 per project, including labor, materials, and equipment as per the rates in the latest edition of the Associated Equipment Dealers Rental Rate Book and administrative overhead not to exceed 15%. Provided that beginning Feb. 1, 2015, and annually on Feb. 1st of each year, the office of planning and control within the division of administration adjusts the "contract limit" by an amount not to exceed the annual percentage increase in the Consumer Price Index in the preceding year.

Proposed law allows the contract limit for public work related to projects completed by the governing authority of Ascension Parish to be equal to the sum of \$500,000 per project, including labor, materials, and equipment as per the rates in the latest edition of the Associated Equipment Dealers Rental Rate Book and administrative overhead not to exceed 15%, provided that beginning Feb. 1, 2026, and annually on Feb. 1st of each subsequent year, the office of facility planning and control within the division of administration must adjust the "contract limit" by an amount not to exceed the annual percentage increase in the Consumer Price Index in the preceding year.

Proposed law requires the office of facility planning and control within the division of administration to publish the new contract limit for public works contracts in the La. Register in Jan. of each year beginning Jan. 2026.

Proposed law provides that for each contract in excess of \$500,000 per project in Ascension Parish the public entity must require the contractor provide a bond with good, solvent, and sufficient surety in a sum of not less than 50% of the contract price for the payment by the contractor or subcontractor to claimants as defined in present law.

Proposed law specifies that the bond furnished is to be a statutory bond and no modifications, omissions, additions in or to the terms of the contract, in the plans or specifications, or in the manner and mode of payment be in any manner diminish, enlarge, or otherwise modify the obligations of the bond.

Proposed law requires the bond to be executed by the contractor with surety or sureties approved by the public entity and be recorded with the contract in the office of the recorder of mortgages in the parish where the work is to be done no later than 30 days after the work begins.

(Adds R.S. 38:2212(C)(5) and 2241(A)(3))

Summary of Amendments Adopted by House

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

1. Change the contract amount from in excess of \$50,000 to in excess of \$500,000 for a bond to be required.