HOUSE SUMMARY OF SENATE AMENDMENTS

HB 566 2025 Regular Session Turner

PUBLIC CONTRACTS: Establishes job order contracting as an alternative project delivery method applicable to deferred maintenance of public facilities by postsecondary education institutions for certain work types

Synopsis of Senate Amendments

- 1. Removes exception for a job order contract being required to be used for work for the postsecondary education institution that awarded the contract unless the institution enters into an interlocal or cooperative purchasing agreement.
- 2. Adds exception for a job order contract to be required to be used for work for the institution that awarded the contract if the request for qualifications for the contract provides for use by <u>other institutions</u> under the same management board, instead of if the RFQ provides for use by other persons.

Digest of Bill as Finally Passed by Senate

<u>Proposed law</u> authorizes projects financed or constructed pursuant to the program established in <u>present law</u> (R.S. 17:3369.1 through 3369.4) to be executed through job order contracting, an alternative project delivery method for deferred maintenance of public facilities by a postsecondary education institution when the work is of a recurring nature but the delivery times, type, and quantities of work required are indefinite.

Postsecondary Education Institutions

<u>Proposed law</u>, relative to the role of a postsecondary education institution, provides the following:

- (1) Authorizes an institution to award a job order contract for certain deferred maintenance projects.
- (2) Requires an institution to establish the maximum aggregate contract price when it advertises a request for qualifications (RFQ). Authorizes an institution to establish contractual unit prices for a job order contract through one of the following methods:
 - (a) Specifying one or more published construction unit price books and the applicable divisions or line items.
 - (b) Providing a list of work items and requiring the bidders propose one or more adjustment factors or multipliers to be applied to the price book or pre-priced as the price proposal.
- (3) Requires an institution to establish an evaluation committee to assess responses to an RFQ, using, at a minimum, the following criteria:
 - (a) The professional training and experience of the contractor and key personnel, specifically as it relates to the project under consideration.
 - (b) The capacity to complete the work within the specified time frame.
 - (c) Past performance on public projects of a similar nature to the one described in the RFQ.

- (d) Any project-specific criteria that may apply to the project needs.
- (e) Any other material deemed important by the institution.
- (4) Authorizes an institution to award job order contracts to one or more job contractors in connection with each RFQ.

Board of Regents

<u>Proposed law</u> requires the Bd. of Regents, prior to awarding a job order contract, to establish procedures for the development of plans, specifications, qualifications, and other matter pertaining to the procedures for advertising, reviewing, and selecting job order contractors.

Job Order Contractors

<u>Proposed law</u>, relative to firms and contractors providing or performing construction work under job order contracts, requires, at minimum, the following:

- (1) Engineering and surveying firms are required to be licensed to perform services by the La. Professional Engineering and Land Surveying Bd.
- (2) Architectural firms are required to be licensed to perform services by the La. State Bd. of Architectural Examiners.
- (3) Contractors are required to be licensed by the La. State Licensing Bd. for Contractors.

<u>Proposed law</u> requires all competitors to comply with certain qualification procedures.

<u>Proposed law</u> requires a contractor to provide payment and performance bonds based on the amount or estimated amount of an order.

Job Orders

<u>Proposed law</u> requires a representative of an institution and the contractor to sign the order for a job or project under a job order contract.

Proposed law authorizes an order to be issued for either of the following:

- (1) A fixed price, lump-sum contract based substantially on contractual unit pricing applied to estimated quantities.
- (2) A unit price order based on the quantities and line items delivered.

<u>Proposed law</u> specifies that a job order contract is required to only be used to accomplish work for the institution that awarded the contract unless the RFQ for the contract provides for use by another postsecondary education institution under the supervision of the management board.

<u>Proposed law</u> defines "public facility" or "public facilities", "project", and "evaluation committee".

Effective upon signature of governor or lapse of time for gubernatorial action.

(Adds R.S. 17:3369.3(A)(8) and R.S. 38:2225.6)