SENATE BILL NO. 166

BY SENATOR WOMACK

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

1	AN ACT
2	To enact R.S. 38:2225.6, relative to public contracts; to provide for expending state funds
3	through contracts with local governmental entities and third party entities; to require
4	the division of administration to issue guidance relative to contract requirements for
5	payments; to provide relative to contract procedures; to authorize the creation of
6	software for tracking certain contracts; to provide for training requirements; to
7	provide for an effective date; and to provide for related matters.
8	Be it enacted by the Legislature of Louisiana:
9	Section 1. R.S. 38:2225.6 is hereby enacted to read as follows:
10	§2225.6. Public private contract protocol requirements
11	A. The division of administration shall issue guidance for any local
12	governmental entity that receives state funds and enters into a contract with a
13	third-party entity for the performance of public works for which state funds
14	have been appropriated.
15	B. All contracts between local governmental entities and third-party
16	entities shall require a preconstruction meeting between the local governmental
17	entity, the contractor, and the design professional of record, with notice to the
18	appropriate state entity, for the purpose of establishing clear expectations of the
19	contract deliverables, project deadlines, accountability standards, payment
20	schedules, and an expedited grievance procedure for complaints. The
21	preconstruction meeting shall accomplish the following:
22	(1) Establish a designated person who shall be the point of contact for the
23	local governmental entity during the project.
24	(2) Establish a procedure for the payment by electronic fund transfer or
25	an agreed upon method of payment to contractors.
26	(3) Establish a procedure whereby the local governmental entity accepts
27	documents which are digitally signed.

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1	C.(1) The division of administration and the Department of
2	Transportation and Development shall develop and maintain software for
3	utilization by local governmental entities and contractors that receive state
4	funding.
5	(2) All local governmental entities that receive state funding shall utilize
6	the software to measure the time between the close of the pay period and the
7	time the payment estimate is approved for payment and submitted to the owner.
8	The software shall be utilized to process all payment estimates and all parties
9	to the contract shall have the ability to receive requests and track the progress
10	of each payment.
11	(3) The division of administration and the Department of Transportation
12	and Development shall make the software available for use on or before July 1,
13	<u>2026.</u>
14	D.(1) Beginning on July 1, 2026, all elected officials of municipalities and
15	municipal employees, as provided in Paragraph (2) of this Subsection, shall
16	complete a minimum of one hour of annual training on procurement and the
17	letting of public contracts pursuant to R.S. 38:2211 et seq., provided by the
18	legislative auditor. The legislative auditor may contract with a nonprofit entity
19	or other organization to satisfy the training requirement.
20	(2) The training requirement applies to all municipal employees whose
21	job duties involve procurement activities, including but not limited to the
22	purchase of materials and supplies or public works, or drafting, managing, or
23	supervision of contracts, including but not limited to procurement contracts,
24	cooperative endeavor agreements, contracts for professional services, and the
25	letting of public contracts pursuant to R.S. 38:2211 et seq.
26	(3) Such training may be provided through web-based means and shall
27	include but not be limited to training on Public Bid Law, public contracts,
28	change orders, and the letting of public contracts pursuant to R.S. 38:2211 et
29	seq.
30	(4) The legislative auditor shall maintain records to document and certify

1 completion of the training by elected officials of municipalities and municipal 2 employees. 3 Section 2. This Act shall become effective upon signature by the governor or, if not 4 signed by the governor, upon expiration of the time for bills to become law without signature 5 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If vetoed by the governor and subsequently approved by the legislature, this Act shall become 6 7 effective on the day following such approval. PRESIDENT OF THE SENATE SPEAKER OF THE HOUSE OF REPRESENTATIVES GOVERNOR OF THE STATE OF LOUISIANA APPROVED: _____

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