

## RÉSUMÉ DIGEST

ACT 436 (SB 166)

2025 Regular Session

Womack

New law creates public private protocol requirements whereby the division of administration shall issue guidance for any local governmental entity that receives state funds and enters into a contract with a third-party entity for performance of public works for which state funds have been appropriated.

New law requires all contracts between local governmental entities and third-party entities to require a preconstruction meeting between the local governmental entity, the contractor, and the design professional of record, with notice to the appropriate state entity, for the purpose of establishing clear expectations of the contract deliverables, project deadlines, accountability standards, payment schedules, and an expedited grievance procedure for complaints. Requires that the preconstruction meeting accomplish the following:

- (1) Establishes a designated person who shall be the point of contact for the local governmental entity during the project.
- (2) Establishes a procedure for the payment by electronic fund transfer or an agreed upon method of payment to contractors.
- (3) Establishes a procedure whereby the local governmental entity accepts documents which are digitally signed.

New law requires the division of administration and DOTD to develop and maintain software for utilization by local governmental entities and contractors that receive state funding.

New law requires all local governmental entities that receive state funding to utilize the software to measure the time between the close of the pay period and the time the payment estimate is approved for payment and submitted to the owner. Requires the software be utilized to process all payment estimates and all parties to the contract shall have the ability to receive requests and track the progress of each payment.

New law provides that the division of administration and DOTD shall make the software available for use on or before July 1, 2026.

New law requires all elected officials of municipalities and certain municipal employees to complete a minimum of one hour of annual training on procurement and the letting of public contracts provided by the legislative auditor beginning on July 1, 2026. Authorizes the legislative auditor to contract with a nonprofit entity or other organization to satisfy the training requirement.

New law provides that the training requirement applies to all municipal employees whose job duties involve procurement activities, including but not limited to the purchase of materials and supplies or public works, or drafting, managing, or supervision of contracts, including but not limited to procurement contracts, cooperative endeavor agreements, contracts for professional services, and the letting of public contracts.

New law provides that the training may be web-based and requires that the training include but not be limited to training on public bid law, public contracts, change orders, and the letting of public contracts.

New law requires the legislative auditor to maintain records to document and certify completion of the training by elected officials of municipalities and municipal employees.

Effective June 20, 2025.

(Adds R.S. 38:2225.6)