

2026 Regular Session

SENATE BILL NO. 513

BY SENATOR FESI

PUBLIC CONTRACTS. Provides for public bids. (8/1/26)

1 AN ACT

2 To enact R.S. 38:2211.3 and R.S. 48:255.9, relative to public works contracts; to provide for
3 a pilot program to authorize local governmental subdivisions to use average bid
4 method; to provide for DOTD to use average bid method; to provide for reporting;
5 and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 38:2211.3 is hereby enacted to read as follows:

8 **§2211.3. Average bid method; pilot program; public works contracts let by**
9 **local governmental subdivision or political subdivision**

10 **A.(1) A pilot program is hereby established to authorize local**
11 **governmental subdivisions or political subdivisions to use the average bid**
12 **method to determine the bidder to whom a contract for public works shall be**
13 **awarded. The pilot program shall be limited to fifteen projects per year and**
14 **subject to the approval of the Senate and House committees on transportation,**
15 **highways and public works.**

16 **(2) For purposes of this Section:**

17 **(a) "Average bid method" means a method of award based on the**

1 average price of all responsive bids received at bid opening. The contract shall
2 be awarded to the responsible and responsive bidder whose bid is closest to, but
3 does not exceed, the average mean of all responsive bids received. If no bid is
4 equal to or less than the average mean, award shall be made to the lowest
5 responsible and responsive bidder.

6 (b) "Responsive bid" means a bid that conforms in all material respects
7 to the advertisement for bids and bid documents at the time of bid opening.

8 (c) "Owner" means a local governmental subdivision or political
9 subdivision as defined by law.

10 B. Notwithstanding any other provision of law to the contrary, a local
11 governmental subdivision or a political subdivision may specify in its bidding
12 documents for a public work the average bid method to determine the bidder
13 to whom the contract shall be awarded as set forth in this Section. Bidding
14 documents may contain alternates, which allow for different materials currently
15 approved by the local governmental subdivision or political subdivision, or
16 methods of construction. The bidding documents shall specify that the contract
17 shall be awarded to the responsible and responsive bidder whose bid is closest
18 to, but does not exceed, the average mean of all responsive bids received at bid
19 closing, the contract shall be awarded to the lowest responsible and responsive
20 bidder. The average mean shall be calculated using only responsive bids
21 received at the time of bid closing and shall not be recalculated. All responsive
22 bids shall be included in the calculation of the average mean.

23 C. At least sixty days prior to advertising for bids and including the
24 average bid method in the bidding documents, a local governmental subdivision
25 or political subdivision shall deliver written notification of the proposed project
26 by name and description, together with the reason it considers the method to be
27 in the public interest, to the Senate Committee on Transportation, Highways,
28 and Public Works and the House Committee on Transportation, Highways and
29 Public Works for review and approval. If approved and upon completion of the

1 contract, the owner shall submit a report to both committees that includes final
 2 cost and evaluation of competition, cost, and quality, the name of the bidder
 3 awarded the contract, the amount of each responsive bid, the average mean of
 4 all responsive bids, and the basis for award.

5 D. The provisions of this Section shall not apply to professional services.

6 Section 2. R.S. 48:255.9 is hereby enacted to read as follows:

7 §255.9. Average bid method bidding; authority

8 A. Notwithstanding any other provision of law to the contrary, the
 9 department may use average bid method for road and highway construction
 10 projects.

11 B. (1) For purposes of this Section, if five or more responsive bids are
 12 received, the department shall average the bids, excluding the highest and
 13 lowest responsive bids. The department shall award the contract to the bidder
 14 whose responsive bid is closest to the average. If two or more bids are equally
 15 close, award shall be made to the lower bid. If no bid is equal to or less than the
 16 average mean, award shall be made to the lowest responsible bidder.

17 (2) If less than three responsive bids are received, all bids will be
 18 rejected.

19 C. The provisions of this Section shall not apply to professional services.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Senate Legislative Services. The keyword, summary, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

SB 513 Original

DIGEST
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Proposed law provides a pilot program to authorize local governmental subdivisions or political subdivisions to use the average bid method to determine the bidder for awarding public contracts. Proposed law further provides the pilot program shall be limited to fifteen projects per year and subject to the approval of the Senate and House committees on transportation, highways and public works.

Proposed law provides for definitions.

Proposed law provides for requirements for a local governmental subdivision or a political subdivision to specify in its bidding documents for a public work and how bids are awarded.

Proposed law provides no less than sixty days prior to advertising for bids a local governmental subdivision or political subdivision deliver written notification of the proposed project by name and description and the reason the method is in the public interest, to the Senate and House committees on transportation, highways, and public works for review and approval. If approved, and when the project is completed, the owner must submit a report including final cost and evaluation of competition, cost and quality, the name of the bidder awarded the contract, the amount of each responsive bid, the average mean of all responsive bids, and the basis for award to both committees.

Proposed law provides proposed law will not apply to professional services.

Proposed law provides for DOTD to use the average bid method for road and highway construction projects or other best project delivery method practices.

Proposed law provides if five or more responsive bids are received DOTD will average the bids and the highest and lowest responsive bids. The department will award the contract to the bidder whose responsive bid is closest to the average regardless of being over or under. If less than three responsive bids are received, all bids will be rejected.

Proposed law provides proposed law will not apply to professional services.

Effective August 1, 2026

(Adds R.S. 38:2211.3 and R.S. 48:255.9)