LEGISLATIVE FISCAL OFFICE
Fiscal Note

Louisiana Legislative Fiscal Office — Fiscal Notes

Fiscal Note On: **HB 887** HLS 26RS 1336
Bill Text Version: **ENROLLED**
Opp. Chamb. Action:
Proposed Amd.:
Sub. Bill For.:

Date: May 29, 2026 11:49 AM
Author: MCFARLAND
Dept./Agy.: Procurement
Subject: Construction Management at Risk
Analyst: Julie Silva

PUBLIC CONTRACT/BIDS EN NO IMPACT See Note

Provides for modifications to the Construction Management at Risk option in Public Bid Law

Present law authorizes public entities to use construction management at risk (CMAR) and requires selection of a construction manager by a review committee based on qualifications, but provides limited procedural requirements regarding committee training, scoring methodology, interview procedures, and public disclosure of evaluation results. Proposed law retains present law but establishes additional procedural requirements for the CMAR selection review committee, including mandatory public training meetings, standardized scoring, score sheets, and ranking procedures, in-person interviews, quorum requirements, expanded public notice and advertising requirements, and public announcement and publication of evaluation scores and recommendations, and prohibits consideration of price prior to selection based on qualifications. Requires submission of a bonding commitment letter, dated within thirty days prior to the proposal due date, evidencing the proposer's ability to obtain a payment and performance bond in an amount equal to the maximum estimated project cost to demonstrate financial stability. Provides that if any provision of proposed legislation conflicts with requirements for grants obtained from federal funds, only the conflicting provision is inapplicable and the remaining provisions remain effective.

EXPENDITURES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	$0	$0	$0	$0	$0	**$0**
Agy. Self-Gen.	$0	$0	$0	$0	$0	**$0**
Ded./Other	$0	$0	$0	$0	$0	**$0**
Federal Funds	$0	$0	$0	$0	$0	**$0**
Local Funds	$0	$0	$0	$0	$0	**$0**
Annual Total	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

REVENUES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	$0	$0	$0	$0	$0	**$0**
Agy. Self-Gen.	$0	$0	$0	$0	$0	**$0**
Ded./Other	$0	$0	$0	$0	$0	**$0**
Federal Funds	$0	$0	$0	$0	$0	**$0**
Local Funds	$0	$0	$0	$0	$0	**$0**
Annual Total	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. Changes to the composition and procedures of a selection review committee for construction management at risk (CMAR) contracts are not expected to affect the operations or the overall number of projects managed by state agencies authorized to use CMAR.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate — Dual Referral Rules
- ☐ 13.5.1 >= $100,000 Annual Fiscal Cost {S & H}
- ☐ 13.5.2 >= $500,000 Annual Tax or Fee Change {S & H}

House
- ☐ 6.8(F)(1) >= $100,000 SGF Fiscal Cost {H & S}
- ☐ 6.8(G) >= $500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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