

First Extraordinary Session, 2005

HOUSE BILL NO. 31

BY REPRESENTATIVE HEBERT

CONSUMERS/PROTECTION: Provides for restrictions on contracts awarded for disaster recovery work (Item #32)

1 AN ACT

2 To enact R.S. 51:1425, relative to contracts awarded for disaster recovery work; to limit a
3 portion of the amount of a contract that may be retained by the contractor if disaster
4 recovery work under the contract is subcontracted to another person; and to provide
5 for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 51:1425 is hereby enacted to read as follows:

8 §1425. Unfair or deceptive acts or practices; contracts for disaster recovery work

9 A. A contractor awarded a contract for disaster recovery work which is
10 funded to the state or a political subdivision by the federal government or a federal
11 agency shall not retain more than fifteen percent of the contract amount if work for
12 the contract is subcontracted to another person.

13 B. Any violation of this Section shall be an unfair or deceptive act or practice
14 declared unlawful by R.S. 51:1405 and may subject the violator to any and all
15 penalties provided for in this Chapter.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument.

Hebert

HB No. 31

Abstract: Prohibits a contractor awarded a contract for disaster recovery work from retaining more than 15% of the contract amount if work under the contract is subcontracted to another person.

Proposed law prohibits a contractor from retaining more than 15% of a disaster recovery work contract if work for the contract is subcontracted and the contract is funded with federal funds.

Proposed law defines this prohibited activity as an unlawful, unfair, or deceptive act or practice.

(Adds R.S. 51:1425)