SLS 24RS-347 REENGROSSED

2024 Regular Session

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SENATE BILL NO. 169

BY SENATOR WOMACK

CONTRACTS. Provides relative to payments under contract by public entites. (gov sig)

AN ACT

| 2              | To enact R.S. 38:2191(E), relative to payments under contract by public entities; to provide   |
|----------------|--|
| 3              | relative to payments due on certain public works contracts; and to provide for related   |
| 4              | matters.   |
| 5              | Be it enacted by the Legislature of Louisiana:   |
| 6              | Section 1. R.S. 38:2191(E) is hereby enacted to read as follows:   |
| 7              | §2191. Payments under contract   |
| 8              | * * *  |
| 9              | E. A declaration that a public works contract is null and void as being  |
|                |  |
| 10             | contrary to the provisions of R.S. 38:2211 et seq., shall not affect amounts due   |
| 10<br>11       |  |
|                | contrary to the provisions of R.S. 38:2211 et seq., shall not affect amounts due   |
| 11             | contrary to the provisions of R.S. 38:2211 et seq., shall not affect amounts due and payable under the contract, including overhead and profit, for the work   |
| 11<br>12       | contrary to the provisions of R.S. 38:2211 et seq., shall not affect amounts due and payable under the contract, including overhead and profit, for the work performed by or on behalf of the contractor.      |
| 11<br>12<br>13 | and payable under the contract, including overhead and profit, for the work performed by or on behalf of the contractor.  Section 2. This Act shall become effective upon signature of the governor or, if not |

vetoed by the governor and subsequently approved by the legislature, this Act shall become

effective on the day following such approval.

The original instrument was prepared by Emily Toler. The following digest, which does not constitute a part of the legislative instrument, was prepared by Archana Cadge.

## **DIGEST**

SB 169 Reengrossed

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Womack

<u>Present law</u> provides all public entities shall promptly pay obligations including approved change orders, arising under public contracts when the obligations become due and payable under the contract.

Proposed law retains present law.

<u>Proposed law</u> provides that a declaration that a public works contract is null and void shall not affect amounts due and payable under the contract, including overhead and profit, for the work performed by or on behalf of the contractor.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Adds R.S. 38:2191(E))

Summary of Amendments Adopted by Senate

Senate Floor Amendments to engrossed bill

1. Removes <u>proposed law</u> exception when contract was not amended to lowest bidder.