The legislative instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Riley Boudreaux.

## CONFERENCE COMMITTEE REPORT DIGEST

Senate Bill No. 196 by Senator Marionneaux

## **Keyword and summary of the bill as proposed by the Conference Committee**

PUBLIC CONTRACTS. Provides a preference for the purchase of steel pipe manufactured in Louisiana. (8/15/11)

## **Report rejects House amendments which would have:**

1. Required the manufacturer of steel rolled or steel pipe manufactured in the state which submitted a bid within 10% of the lowest bid (and thus would be eligible for the preference in the <u>proposed law</u>) to agree to sell at the same price as the lowest bid or forfeit his bid. In the case where there was more than one in-state bidder within 10% of the lowest bid, the in-state bidder offering the lowest bid is entitled to accept the price of the lowest bid. If he declines, the next lowest in-state bidder would have the option.

## Digest of the bill as proposed by the Conference Committee

<u>Present law</u>, relative to public contracts, provides that when purchasing steel, every person acting as purchasing agent for any agency, board, commission, department, or other instrumentality of the state or of a parish, municipality, or other unit of local government, including a levee board, drainage district, school board, or special district, shall purchase steel rolled in this state which is equal in quality to steel rolled outside the state, provided the cost of steel rolled in this state does not exceed by more than 10% of the cost of steel which is rolled outside the state. Provides that this preference does not apply when sufficient quantities of steel rolled in this state are not available.

<u>Proposed law</u> retains <u>present law</u> and extends the preference to steel pipe manufactured in this state.

Effective August 15, 2011.

(Amends R.S. 38:2251.2)