Regular Session, 2012

HOUSE BILL NO. 854

BY REPRESENTATIVE LEBAS

PUBLIC CONTRACT/BIDS: Allows local bidder to match nonlocal low bidder on public contracts

| 1 | AN ACT |
|----|--|
| 2 | To enact R.S. 38:2214.1, relative to public contracts; to authorize certain contractors to |
| 3 | match the low bid in certain circumstances; and to provide for related matters. |
| 4 | Be it enacted by the Legislature of Louisiana: |
| 5 | Section 1. R.S. 38:2214.1 is hereby enacted to read as follows: |
| 6 | <u>§2214.1. Right to modify bids</u> |
| 7 | A. A public entity letting public contracts, including but not limited to |
| 8 | contracts for waste management services, may accept the bid of the local resident |
| 9 | contractor, if the bid is not the lowest bid offered, provided that all of the following |
| 10 | conditions are met: |
| 11 | (1) The lowest bid is not offered by a local resident contractor. |
| 12 | (2) The bid offered by the local resident contractor does not exceed the |
| 13 | lowest bid by more than ten percent. |
| 14 | (3) The local resident contractor agrees to provide services or fulfill the |
| 15 | contract at the same price as the lowest bid made. |
| 16 | B. For purposes of this Section "local resident contractor" shall mean a |
| 17 | contractor whose business headquarters is domiciled and located in the same parish |
| 18 | of which the public entity letting the contract is located. |

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, 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)]

LeBas

HB No. 854

Abstract: Authorizes local resident contractors to modify their bids for contracts if they are within 10% of the lowest bidder.

<u>Proposed law</u> authorizes a public entity letting public contracts, including but not limited to contracts for waste management services, to accept the bid of the local resident contractor, if the bid is not the lowest bid offered, provided that all of the following conditions are met:

- (1) The lowest bid is not offered by a local resident contractor.
- (2) The bid offered by the local resident contractor does not exceed the lowest bid by more than 10%.
- (3) The local resident contractor agrees to provide services or fulfill the contract at the same price as the lowest bid made.

<u>Proposed law</u> defines "local resident contractor" as a contractor whose business headquarters is domiciled and located in the same parish of which the public entity letting the contract is located.

(Adds R.S. 38:2214.1)