

2016 Regular Session

HOUSE BILL NO. 1078

BY REPRESENTATIVE GUINN

LOCAL GOVERNMENT: Prohibits local governmental entities from imposing retainage fees on contracts

1 AN ACT

2 To amend and reenact R.S. 38:2248(A), relative to retained amounts on contracts for public
3 works; to provide relative to retained amounts for contracts for public works; to
4 provide relative to retainage bonds; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 38:2248(A) is hereby amended and reenacted to read as follows:

7 §2248. Provisions for withholding payment; effect on liability of contractor or
8 agency; punch list

9 A. (1) No contracts for the construction, alteration, or repair of any public
10 works executed in conformity with this Part shall provide that the state or any of its
11 agencies, boards, or subdivisions or any other public entity letting such a contract
12 may withhold payment of more than ten percent of the contract price on projects of
13 less than five hundred thousand dollars, and five percent of the contract price on
14 projects of five hundred thousand dollars or more until the expiration of forty-five
15 days after the recordation of formal acceptance of such work, or notice of default by
16 the contractor or subcontractor. Such provision for withholding of payment shall in
17 no way change or affect the liability of the letting agency or of the contractor,
18 subcontractor, or their sureties.

19 (2) The state or any of its agencies, boards, or subdivisions or any other
20 public entity letting a contract for the construction, alteration, or repair of any public

