

Regular Session, 2011

SENATE BILL NO. 94

BY SENATOR NEVERS

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

PUBLIC CONTRACTS. Provides a preference for materials produced, manufactured, or fabricated in Louisiana used in public works. (8/15/11)

1 AN ACT

2 To enact R.S. 38:2213.1, relative to public works; to provide for a preference for materials
3 produced, manufactured, or fabricated in Louisiana used in public works; to provide
4 for definitions; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 38:2213.1 is hereby enacted to read as follows:

7 **§2213.1. Preference given for materials produced, manufactured, or fabricated**
8 **in Louisiana used in public works**

9 **A. This Section shall be known and may be referred to as the "Louisiana**
10 **First Act"**.

11 **B. Notwithstanding any other provision of law to the contrary, a**
12 **contractor submitting a bid to a public entity for a public work under the**
13 **provisions of this Chapter shall use in his bid on the public work and his**
14 **construction of the public work materials produced, manufactured, or**
15 **fabricated in Louisiana, provided all of the following conditions are met:**

16 **(1) The materials produced, manufactured, or fabricated in Louisiana**
17 **meet bid specifications.**

1 **(2) The cost of the materials produced, manufactured, or fabricated in**
 2 **Louisiana is equal to or less than the cost of materials produced, manufactured,**
 3 **or fabricated outside Louisiana and available to the contractor.**

4 **C. As used in this Section, the following terms shall have the following**
 5 **meanings:**

6 **(1) "Materials" means the elements, constituents, or substances of which**
 7 **a public work is made and that are physically incorporated into the public**
 8 **work.**

9 **(2) "Third party" means any person, partnership, association,**
 10 **foundation, corporation, or other legal entity that is not a public entity as**
 11 **defined in this Chapter.**

12 **D. The provisions of this Section shall apply to any contractor who bids**
 13 **on and constructs a building or other structure for a third party that under the**
 14 **terms of a memorandum of understanding or other contractual agreement with**
 15 **a public entity is intended to be used for a public purpose.**

16 **E. For purposes of this Section, the requirement that the materials be**
 17 **produced, manufactured, or fabricated in Louisiana is met if the company**
 18 **providing the materials has a substantial economic investment in Louisiana by**
 19 **having five hundred or more employees who are Louisiana residents and who**
 20 **work for the company in Louisiana.**

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Thomas F. Wade.

DIGEST

Nevers (SB 94)

Proposed law provides for the "Louisiana First Act." Provides that a contractor submitting a bid to a public entity for a public work under the provisions of present law shall use in his bid on the work and his construction of the public work materials produced, manufactured, or fabricated in Louisiana, provided all of the following conditions are met:

- (1) The Louisiana materials meet bid specifications.
- (2) The cost of the Louisiana materials is equal to or less than the cost of the materials produced, manufactured, or fabricated outside Louisiana and available to the contractor.

Provides that proposed law applies to any contractor who bids on and constructs a building or other structure for a third party that under the terms of a memorandum of understanding or other contractual agreement with a public entity is intended to be used for a public purpose.

Defines "materials" to mean the elements, constituents, or substances of which a public work can be made and that are physically incorporated into the public work.

Defines "third party" to mean any person, partnership, association, foundation, corporation, or other legal entity that is not a public entity as defined in present law.

Provides that the requirement that the materials be produced, manufactured, or fabricated in Louisiana is met if the company providing the materials has a substantial economic investment in Louisiana by having 500 or more employees who are Louisiana residents and who work for the company in Louisiana.

Effective on August 15, 2011.

(Adds R.S. 38:2213.1)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Transportation, Highways, and Public Works to the original bill.

1. Names the Section the "Louisiana First Act".
2. Deletes the requirement that the materials must be equal or better than equal in quality to materials produced, manufactured, or fabricated outside Louisiana and available to the contractor and replaces that requirement with the requirement that the materials meet bid specifications.
3. Provides that the requirement that the materials be produced, manufactured, or fabricated in Louisiana is met if the company providing the materials has a substantial economic investment in Louisiana by having 500 or more employees who are Louisiana residents and who work for the company in Louisiana.