

SENATE No. 01631

The Commonwealth of Massachusetts

PRESENTED BY:

James E. Timilty

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An act relative to price adjustment

.

PETITION OF:

NAME:

James E. Timilty

DISTRICT/ADDRESS:

Bristol and Norfolk

SENATE No. 01631

By Mr. Timilty, petition (accompanied by bill, Senate, No. 1631) of Timilty for legislation relative to price adjustment [Joint Committee on State Administration and Regulatory Oversight].

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE
□ HOUSE
□ , NO. 4508 OF 2009-2010.]

The Commonwealth of Massachusetts

In the Year Two Thousand Eleven

An act relative to price adjustment
□.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Section 39O of chapter 30, as appearing in the 2008 Official Edition, is
2 hereby amended by adding the following paragraph at the end thereof:—

3 Notwithstanding any general or special law to the contrary, contracts awarded as a
4 result of proposals or invitation for bids issued under sections 38A½ to 38O, inclusive, of chapter
5 7, section 11C of chapter 25A, section 39M of this chapter and sections 44A to 44H, inclusive,
6 of chapter 149, that exceed \$100,000 shall include a price adjustment clause for each of the
7 following: fuel, both diesel and gasoline, asphalt, concrete and steel. A base price for each
8 material shall be set by the awarding authority or agency and included in the bid documents at
9 the time a project is advertised. The awarding authority or agency shall also identify in the bid

10 documents the price index to be used for each type of material or supply. The adjustment clause
11 shall require that an adjustment be made to the contract price for any such material on a monthly
12 basis when the cost of such material in any month increases or decreases by more than 5 per
13 cent. The adjustment clause shall further provide that the contract price for such material shall
14 be increased or decreased by an amount equal to the amount of the increase or decrease in the
15 cost of such material during that month.