

2014 -- S 2453

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LC004773
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2014

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A N A C T

RELATING TO PUBLIC PROPERTY AND WORKS -- STATE PURCHASES

Introduced By: Senators Lombardo, and Lombardi

Date Introduced: February 27, 2014

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 37-2-44 of the General Laws in Chapter 37-2 entitled "State
2 Purchases" is hereby amended to read as follows:

3 **37-2-44. Cost and pricing principles -- Regulations required.** -- The chief purchasing
4 officer shall issue regulations setting forth cost principles which shall be used:

5 (1) As guidelines in the negotiation of:

6 (i) Estimated costs of fixed prices when the absence of open market competition
7 precludes the use of competitive sealed bidding;

8 (ii) Adjustments for state-directed changes or modifications in contract performances;

9 and

10 (iii) Settlements of contracts which have been terminated.

11 (2) To determine the allowability of incurred costs which shall include consequential
12 damages inclusive of project overhead arising from project acceleration, out of sequence
13 performance or project delay which may have resulted from the untimely processing and
14 acceptance of contract change orders for the purpose of reimbursing costs under contract
15 provisions which provide for the reimbursement of costs; and

16 (3) As appropriate in any other situation where the determination of the estimated or the
17 incurred costs of performing contracts may be required.

1 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO PUBLIC PROPERTY AND WORKS -- STATE PURCHASES

1 This act would amend the law on state purchases so that when the chief purchasing
2 officer determines an allowable cost it would include the cost of consequential damages which
3 may have resulted from the untimely processing and acceptance of contract change orders.

4 This act would take effect upon passage.

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