SENATE DOCKET, NO. 270 FILED ON: 1/15/2013

# SENATE . . . . . No. 1556

## 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:

An act relative to price adjustment.

PETITION OF:

| NAME: | DISTRICT/ADDRESS: |
|---|---|
| *James E. Timilty* | *Bristol and Norfolk* |

SENATE DOCKET, NO. 270 FILED ON: 1/15/2013

# SENATE . . . . . No. 1556

By Mr. Timilty, a petition (accompanied by bill, Senate, No. 1556) of James E. Timilty for legislation relative to price adjustment. State Administration and Regulatory Oversight.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE
SENATE
, NO. *1631* OF 2011-2012.]

## The Commonwealth of Massachusetts

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:*

SECTION 1. Section 39O of chapter 30, as appearing in the 2010 Official Edition, is hereby amended by adding the following paragraph at the end thereof:—

Notwithstanding any general or special law to the contrary, contracts awarded as a result of proposals or invitation for bids issued under sections 38A½ to 38O, inclusive, of chapter 7, section 11C of chapter 25A, section 39M of this chapter and sections 44A to 44H, inclusive, of chapter 149, that exceed $1,000,000 shall include a price adjustment clause for each of the following: fuel, both diesel and gasoline, asphalt, concrete and steel. A base price for each material shall be set by the awarding authority or agency and included in the bid documents at the time a project is advertised. The awarding authority or agency shall also identify in the bid documents the price index to be used for each type of material or supply. The adjustment clause shall require that an adjustment be made to the contract price for any such material on a monthly basis when the cost of such material in any month increases or decreases by more than 5 per cent. The adjustment clause shall further provide that the contract price for such material shall be increased or decreased by an amount equal to the amount of the increase or decrease in the cost of such material during that month.