

**HOUSE . . . . . No. 4508**

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**The Commonwealth of Massachusetts**

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**In the Year Two Thousand Ten**  
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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 39O of chapter 30, as appearing in the 2008 Official Edition, is hereby amended  
2 by adding the following paragraph at the end thereof:—

3           Notwithstanding any general or special law to the contrary, contracts awarded as a result  
4 of proposals or invitation for bids issued under sections 38A½ to 38O, inclusive, of chapter 7,  
5 section 11C of chapter 25A, section 39M of this chapter and sections 44A to 44H, inclusive, of  
6 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.