HLS 18RS-785 REENGROSSED

2018 Regular Session

HOUSE BILL NO. 272

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BY REPRESENTATIVE HALL

PUBLIC CONTRACT/BIDS: Provides with respect to group purchasing of materials, equipment, and supplies

AN ACT

2 To amend and reenact R.S. 38:2212.1(N), relative to group purchasing of school materials, 3 equipment, and supplies; to authorize public school districts and public schools to 4 use a group purchasing organization for the purchase of materials and supplies in 5 certain circumstances; to provide relative to agreements between public school 6 districts and public schools and group purchasing organizations; to provide relative 7 to the process by which such agreements become public record; and to provide for 8 related matters. 9 Be it enacted by the Legislature of Louisiana: 10 Section 1. R.S. 38:2212.1(N) is hereby amended and reenacted to read as follows: 11 §2212.1. Advertisement and letting to lowest responsible bidder; materials and 12 supplies; exemptions 13 14 N.(1) Notwithstanding any provision of this Part to the contrary, any public 15 school district or public school may enter into an agreement with one or more 16 qualified group purchasing organizations for the purchase of materials, equipment, 17 and supplies, including any installation thereof. Any such agreement shall require that the qualified group purchasing organization submit a price list for those 18 19 materials, equipment, and supplies offered by it and that the prices quoted on the list

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remain in effect for a stated period of time of not less than three months. Any such

CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

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1 price list shall be considered, for all purposes, to be a valid and binding bid by the 2 qualified group purchasing organization during the effective period of the agreement, 3 and no additional bid by the qualified group purchasing organization is necessary. 4 (2) Price lists submitted by a qualified group purchasing organization are not 5 public record and shall not be available for public inspection. The agreement setting 6 forth the existence of the price list and the effective date thereof is, however, a public 7 record, and that portion of the price list setting forth the price of the materials, 8 equipment, or supplies being purchased shall become a public record at the time of 9 opening of bids for those or upon the execution of a contract for the purchase of 10 materials, equipment, or supplies. 11 (3) As used in this Subsection, "qualified purchasing organization" means 12 an organization, whether for profit or not for profit, of which two or more public 13 school districts are members and which solicits proposals or bids from vendors of 14 services, materials, equipment, or supplies of the type and nature as may be 15 purchased by a public school district or public school. 16 (4) A school board may purchase <u>materials</u>, equipment, or supplies directly 17 from or through a qualified group purchasing organization if the price for such 18 equipment is less than that for the same or substantially similar materials, equipment, 19 or supplies on the state contract or bid list or if there is no applicable state contract 20 or bid list. 21 (5) A public school district or public school that chooses to solicit quotations 22 or bids pursuant to Paragraph (1) of this Subsection may, during the effective period 23 of the agreement with a group purchasing organization, consider a price list 24 previously submitted to it by the group purchasing organization as a valid and 25 binding bid for such solicitation. In such case, no additional bid by the qualified

group purchasing organization is necessary.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 272 Reengrossed

2018 Regular Session

Hall

Abstract: Provides relative to group purchasing of school materials, equipment, and supplies.

<u>Present law</u> authorizes any public school district or public school to enter into an agreement with a group purchasing organization for the purchase of materials, equipment, and supplies, including any installation thereof. Requires that any such agreement provide that the organization submit a price list and that the prices quoted remain in effect for a stated period of time, not less than three months. Also provides that any such price list shall be considered a valid and binding bid by the organization.

<u>Present law</u> provides that a price list submitted by a group purchasing organization is not a public record and is not available for public inspection. However, <u>present law</u> provides that the agreement setting forth the existence of the price list and the effective date thereof is a public record and that the portion of the price list setting forth the items being purchased becomes a public record when bids are opened. <u>Proposed law</u> further provides that the list becomes a public record when the purchase contract is executed. Otherwise retains <u>present</u> law.

<u>Present law</u> authorizes a school board to purchase equipment from a qualified group purchasing organization if the price for such equipment is less than that for the same or substantially similar equipment on the state bid list. <u>Proposed law</u> further authorizes school boards to purchase materials, equipment, or supplies from or through a group purchasing organization if there is no applicable state contract or bid list.

<u>Present law</u> provides that a price list is a valid bid during the effective period of the agreement. <u>Proposed law</u> removes <u>present law</u>.

<u>Proposed law</u> authorizes public school districts and public schools that choose to solicit quotations or bids under <u>present law</u> to consider a price list previously submitted to it by the group purchasing organization as a valid and binding bid for such solicitation.

(Amends R.S. 38:2212.1(N))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by <u>House Committee on Education</u> to the <u>original</u> bill:

1. Change lead author from Representative Havard to Representative Hall.

The Committee Amendments Proposed by <u>House Committee on House and Governmental Affairs</u> to the <u>engrossed</u> bill:

- 1. Restore provision that the list is a public record when bids are opened.
- 2. Make technical change.