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## DIGEST

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HB 512 Engrossed

2023 Regular Session

Hughes

**Abstract:** Modifies requirements for procurement of fiscal intermediary services contracts.

Present law establishes the criteria and processes for state procurement of information technology (IT) equipment, related services, and software.

Present law provides definitions for terms in the laws governing such contracts. One such definition is for "multiyear contract", which present law defines to include contracts for fiscal intermediary services in addition to contracts between suppliers of IT systems, services, and software. Proposed law removes fiscal intermediary services from this definition. Present law further defines "related services" to include consulting services contracts ancillary to the procurement of IT hardware or software and places a cap on the maximum amount of such contracts at the lesser of 20% of the procurement amount or \$250,000. Proposed law removes this cap for consulting services contracts ancillary to the procurement of fiscal intermediary services obtained through cooperative purchasing pursuant to present law.

Present law authorizes fiscal intermediary services to be procured through competitive sealed proposals or cooperative purchasing, both through procedures provided for in present law. Present law sets forth requirements for such procurements, including submission of justification for the contract to the state central purchasing agency and the Joint Legislative Committee on the Budget (JLCB), the requirement that the contract have a 120-month term, and that no award shall be made until approval is received by JLCB, among others. Proposed law retains present law for the competitive sealed proposals procurements. With the exception that no award shall be made until approval is received by JLCB, Proposed law removes these requirements for procurements by cooperative purchasing and further requires them to be conducted through the non-IT procurement process (R.S. 39:1702).

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 39:197(intro. para.), (13), and (16) and 198(G)(intro. para) and (I))

### Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Appropriations to the original bill:

1. Require JLCB approval of any cooperative purchasing contract prior to execution.

