

2024 Regular Session

HOUSE BILL NO. 884

BY REPRESENTATIVE HUGHES

PROCUREMENT: Provides relative to procurement of certain services by public postsecondary education management boards

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AN ACT

To amend and reenact R.S. 39:1619(B)(introductory paragraph) and to enact R.S. 39:1619(E) and 1621(D), relative to procurement by public postsecondary education management boards; to provide relative to procurement of consulting services and social service contracts; to authorize master service agreements for such services in certain circumstances; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 39:1619(B)(introductory paragraph) is hereby amended and reenacted and R.S. 39:1619(E) and 1621(D) are hereby enacted to read as follows:

§1619. Social service contracts

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B. ~~Contracts~~ Except as provided in Subsection E of this Section, contracts for social services may be awarded without the necessity of competitive bidding or competitive negotiation only if the state chief procurement officer determines that any one of the following conditions is present. The using agency shall document the condition present and such documentation shall be part of the contract record submitted to the office of state procurement.

\* \* \*

1           E.(1) Notwithstanding any provision of this Chapter to the contrary, each  
 2           public postsecondary education management board may enter into social service  
 3           contracts on behalf of each institution under its supervision and control, including  
 4           the authority to enter into a master service contract for social services with a vendor  
 5           for similar or the same services to be provided at multiple institutions within its  
 6           supervision and control.

7           (2) A master service contract pursuant to the provisions of this Subsection  
 8           may contain a combined total compensation to the vendor with compensation for  
 9           each institution serviced by the contract. Such contract may be entered into without  
 10           the necessity of competitive bidding or competitive negotiation if the compensation  
 11           for each institution serviced by the agreement does not to exceed two hundred fifty  
 12           thousand dollars per twelve-month period.

\* \* \*

§1621. Consulting service contracts

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16           D.(1) Notwithstanding any provision of this Chapter to the contrary, each  
 17           public postsecondary education management board may enter into consulting  
 18           services contracts on behalf of each institution under its supervision and control,  
 19           including the authority to enter into a master service contract for consulting services  
 20           with a vendor for similar or the same services to be provided at multiple institutions  
 21           within its supervision and control.

22           (2) A master service contract pursuant to the provisions of this Subsection  
 23           may contain a combined total compensation to the vendor with compensation for  
 24           each institution serviced by the agreement. Such contract may be entered into  
 25           without the necessity of competitive bidding or competitive negotiation if the  
 26           compensation for each institution serviced by the contract does not exceed seventy-  
 27           five thousand dollars per twelve-month period.

28           Section 2. This Act shall become effective upon signature by the governor or, if not  
 29           signed by the governor, upon expiration of the time for bills to become law without signature

1 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
 2 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
 3 effective on the day following such approval.

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#### 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)]

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HB 884 Original

2024 Regular Session

Hughes

**Abstract:** Authorizes public postsecondary education management boards to enter into contracts for consulting services and social services on behalf of each institution under its supervision and control. Further authorizes entering into master service contracts for such services without necessity of competitive bidding or competitive negotiation.

Present law (R.S. 39:1551, et seq.) establishes the La. Procurement Code, which generally governs procurement of goods and services by state entities. Establishes regulations for procurement of social service and consulting services pursuant to the La. Procurement Code. Proposed law retains present law.

#### SOCIAL SERVICES CONTRACTS

Present law defines "social service" as work rendered by any person, firm, corporation, organization, governmental body, or governmental entity in furtherance of the general welfare of the citizens of Louisiana, including but not limited to rehabilitation and health supports, habilitation and socialization services, and improvement of living conditions. Proposed law retains present law.

Present law (R.S. 39:1619) authorizes social service contracts to be awarded without necessity of competitive bidding or competitive negotiation if the state chief procurement officer determines that any one of certain enumerated conditions is present, including that the services are available only from a sole source provider, local matching funds in excess of 10% of the contract amount are required to be contributed by the contractor, or the total contract amount is less than \$250,000 per 12-month period. Proposed law creates an exception for public postsecondary education management boards. Authorizes such management boards, without involvement of the state chief procurement officer, to enter into social service contracts on behalf of each institution under its supervision and control, including the authority to enter into a master service contract for social services with a vendor for similar or the same services to be provided at multiple institutions within its supervision and control. Further provides that if the management board enters into a master service contract pursuant to the provisions of proposed law, such contract may contain a combined total compensation to the vendor with compensation for each institution serviced by the agreement.

Proposed law provides that a master service contract pursuant to the provisions of proposed law may be entered into without the necessity of competitive bidding or competitive negotiation if the compensation for each social service contract for each institution does not exceed \$250,000 per 12-month period.

#### CONSULTING SERVICES CONTRACTS

Present law defines "consulting services" to mean work, other than professional, personal, or social service, rendered by either individuals or firms who possess specialized knowledge, experience, and expertise to investigate assigned problems or projects and to provide counsel, review, design, development, analysis, or advice in formulating or implementing programs or services, or improvements in programs or services, including but not limited to such areas as management, personnel, finance, accounting, planning, information technology, pharmacy benefit managers, and advertising contracts, except for printing associated therewith. Proposed law retains present law.

Present law (R.S. 39:1621) authorizes contracts for consulting services to be awarded without competitive bidding or competitive negotiation if the total maximum amount of compensation is less than \$75,000 per 12-month period. For consulting services contracts in excess of this amount, present law establishes certain required procurement methods to obtain such services. Proposed law creates an exception for public postsecondary education management boards. Authorizes such management boards to enter into consulting services contracts on behalf of each institution under its supervision and control, including the authority to enter into a master service contract for consulting services with a vendor for similar or the same services to be provided at multiple institutions within its supervision and control. Further provides that if the management board enters into a master service contract pursuant to the provisions of proposed law, such contract may contain a combined total compensation to the vendor with compensation for each institution serviced by the agreement.

Proposed law provides that a master service contract pursuant to the provisions of proposed law may be entered into without the necessity of competitive bidding or competitive negotiation if the compensation for each consulting service contract for each institution does not exceed \$75,000 per 12-month period.

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

(Amends R.S. 39:1619(B)(intro. para.); Adds R.S. 39:1619(E) and 1621(D))