

RÉSUMÉ DIGEST

ACT 734 (HB 845)

2024 Regular Session

Deshotel

Existing law provides for the creation of the Joint Legislative Committee on Technology and Cybersecurity (JLCTC). Provides for the duties and functions of the committee, which include the authority to review budget or expenditure requests related to technology or cybersecurity.

New law adds the authority to review and approve procurement requests related to technology or cybersecurity.

Existing law provides for definitions related to the procurement of information technology.

Existing law provides for a definition of a "multiyear contract" as contracts for a term of more than one year, not to exceed 10 years, and includes contracts between a supplier of information systems, information technology services, and software and the state or a state agency through which information technology systems, information technology services, and software, except for fiscal intermediary services, may be leased or purchased for a term of more than one fiscal year, but the term shall not exceed 60 months.

Prior law additionally included multiyear contracts for fiscal intermediary services.

New law removes contracts for fiscal intermediary services from the definition of a "multiyear contract". New law adds the definitions of "consulting service", "invitation to negotiate", and "professional service".

Existing law defines "related services" as service activities affecting the maintenance of information technology equipment or software and the providing of fiscal intermediary services. Further defines "related services" to include consulting services ancillary to the procurement of information technology hardware or software if these consulting services are limited to the lesser of 20% of the procurement amount or \$250,000. New law excludes consulting services ancillary to the procurement of fiscal intermediary services by cooperative purchasing from this limitation.

Existing law provides for the types of contracts permitted in the procurement of information technology systems, information technology services, and software. Provides for contracts to be entered into through a request for proposals.

New law adds professional services contracts and consulting services contracts related to information technology to the types of contracts permitted in provisions that govern procurement of information technology. Adds competitive sealed bids, competitive sealed proposals, reverse auction, cooperative purchasing, and an invitation to negotiate as methods of procurement for information technology.

Existing law provides for multi-year contracts in the procurement of information technology systems, information technology services, and software.

New law adds professional services contracts and consulting services contracts related to information technology to the types of contracts eligible for multi-year contracts. Provides that professional services contracts and consulting services contracts related to information technology shall not exceed an initial term of six years with two options for two-year extensions for a maximum of 10 years. Provides that contracts for electronic benefit issuance system services shall be for an initial contract period of six years with an option for two options for two-year extensions up to a maximum of 10 years.

Existing law requires all multi-year contracts to contain language concerning the appropriation of funds to fulfill the requirements of the contracts. New law additionally provides for when funds are not appropriated to continue a multi-year contract and the cost of cancellation of a contract.

Existing law provides for contracts for fiscal intermediary services and requires contracts to be awarded by competitive sealed proposals or by cooperative purchasing.

New law adds invitation to negotiate as a method of procurement for fiscal intermediary services.

Prior law required a fiscal intermediary contract to be for 120 months, with additional one-year extensions, regardless of the method of procurement.

New law requires a fiscal intermediary contract to be for 120 if procured using competitive sealed proposals, with additional extension for up to three years. Additionally, new law does not prescribe the term of a contract procured through cooperative purchasing or an invitation to negotiate.

Existing law requires justification for the contract to be submitted to the state procurement office. Prior law also required submission to JLCB. New law replaces JLCB with JLCTC.

Existing law requires contracts for fiscal intermediary services to be approved by JLCB.

New law additionally requires the La. Dept. of Health to submit a notice of intention to secure a contract to JLCTC. Authorizes JLCTC to hold a public hearing concerning the award within 30 days. Further provides for the award to be made if 30 days have lapsed without JLCTC posting a notice of a public hearing.

Existing law provides for a report of all multi-year contracts to be provided to JLCB each fiscal year. Provides that any contract entered into for more than three years is subject to approval by JLCB.

New law adds that the report shall also be provided to JLCTC. Additionally, new law requires that any contract entered into for more than three years, inclusive of contract extension options, and with a cost of more than \$10 million is subject to review and approval by JLCTC. Requires review and approval by JLCTC of an extension of such a contract if the extension would increase the total cost more than 5%. Provides a deadline for such review by JLCTC and provides for the referral of the contract to JLCB when JLCTC does not approve the contract prior to the deadline. Requires any contract approved by JLCTC to be reported to JLCB. Authorizes the chairman of JLCTC, at his discretion, to refer any contract for review and approval to JLCB. Requires a contract procured through an invitation to negotiate to be reviewed by JLCTC. Further requires the office of technology services to submit a monthly report of all multi-year contracts with a cost of more than \$1 million to JLCTC.

New law provides for the invitation to negotiate and sets the parameters for the procurement method.

Prior law required certain contracts to be entered into with the assistance of a procurement support team. Required assistance in the evaluation of bids and negotiation of contracts. Provided for the composition of the procurement support team. New law repeals prior law.

Effective August 1, 2024.

(Amends R.S. 24:673(A) and (C) and R.S. 39:197(13) and (16), 198(A), (B)(intro. para.) and (1), (C)(1), (D)(intro. para.), (1), and (2), (E)(intro. para.) and (4), (G)(intro. para.) and (1)(a), (c), and (d), (I), and (M); Adds R.S. 39:197(20)-(22), 1556(63), 1593(6)(f), and 1600.2; Repeals R.S. 39:198(G)(4) and 200(I))