

2017 Regular Session

HOUSE BILL NO. 554

BY REPRESENTATIVES SCHRODER, BERTHELOT, AND EDMONDS

1 AN ACT

2 To amend and reenact R.S. 39:1600(D)(1), (2)(introductory paragraph), and (3) and to enact
3 R.S. 39:1600(D)(4), relative to public contracts; to provide for the requirements of
4 reverse auctions for certain purchases in the Procurement Code; and to provide for
5 related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 39:1600(D)(1), (2)(introductory paragraph), and (3) are hereby
8 amended and reenacted and R.S. 39:1600(D)(4) is hereby enacted to read as follows:

9 §1600. Other procurement methods

10 * * *

11 D. Reverse auction

12 (1) Notwithstanding the provisions of Subpart A of this Part, with the
13 approval of the state chief procurement officer ~~and the determination of the head of~~
14 ~~the using agency~~ that the best interests of the state would be served ~~and that~~
15 ~~electronic online bidding is more advantageous than other procurement methods~~
16 ~~provided in this Chapter~~, a reverse auction may be utilized for the acquisition of
17 materials, supplies, services of any type, products, or equipment of any monetary
18 amount, including small purchases.

19 (2) Prior to the ~~implementation of this Subsection~~, use of any reverse
20 auction, the state chief procurement officer ~~shall develop policies, procedures, and~~
21 ~~promulgate regulations, in accordance with the Administrative Procedure Act. Such~~
22 ~~policies and procedures~~ may require in the solicitation language that:

23 * * *

1 (3) Adequate public notice for the purchase of materials, supplies, services,
2 or equipment using a reverse auction shall be given ~~as follows:~~

3 (a) The advertisement or notice shall ~~be published one time in the official~~
4 ~~journal of the state at least twenty days before the opening date of the reverse~~
5 ~~auction.~~ conform to the requirements for public notice of sealed bidding or small
6 purchases as applicable, pursuant respectively to R.S. 39:1594 or 1596, such that the
7 extent, timing, location, form, and duration of public notice activities for the reverse
8 auction process shall be fully consistent with the public notice activities required for
9 a sealed bid or small purchase of equivalent value.

10 (b) ~~In the case of any purchase to meet the needs of a single budget unit, the~~
11 ~~advertisement shall be published also in a newspaper of general circulation printed~~
12 ~~in the parish in which the budget unit is situated, or, if there is not a newspaper~~
13 ~~printed in the parish, in a newspaper printed in the nearest parish that has a general~~
14 ~~circulation in the parish in which the budget unit is situated.~~

15 (4) The office of state procurement shall report annually to the legislature by
16 September first, on the use of reverse auctions and any savings achieved.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____