ACT No. 226

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	* * *

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(3) Adequate public notice for the purchase of materials, supplies, services,

or equipment using a reverse auction shall be given. as follows:

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

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

(4) The office of state procurement shall report annually to the legislature by 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: _____