

2019 Regular Session

SENATE BILL NO. 144

BY SENATOR PRICE

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

PROCUREMENT CODE. Provides for certain changes in the Louisiana Procurement Code regarding cooperative purchasing. (8/1/19)

1 AN ACT

2 To amend and reenact R.S. 39:1556(23) and 1702(A)(1), relative to the Louisiana
3 Procurement Code; to provide for cooperative purchasing agreements; to define
4 external procurement activities; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 39:1556(23) and 1702(A)(1) are hereby amended and reenacted to
7 read as follows:

8 §1556. Definitions

9 As used in this Chapter, the words defined in this Section shall have the
10 meanings set forth below, unless the context in which they are used clearly requires
11 a different meaning or a different definition is prescribed for a particular Part or
12 provision:

13 * * *

14 (23) "External procurement activity" means any buying organization not
15 located in this state which, if located in this state, would qualify as a public
16 procurement unit. An agency of the United States government is an external
17 procurement activity. An approved "external procurement activity" shall be a

1 purchasing cooperative administered by an agency of a state meeting the
2 procurement statutes of that state and not a nonprofit or a for-profit private
3 cooperative using a lead agency.

4 * * *

5 §1702. Cooperative purchasing authorized; participation in federal General Services
6 Administration vendor list

7 A.(1) Any public procurement unit may either participate in, sponsor,
8 conduct, or administer a cooperative purchasing agreement for the acquisition of any
9 supplies, services, major repairs, or construction with one or more public
10 procurement units or external procurement activities or one or more private
11 procurement units in accordance with an agreement entered into between the
12 participants. Such cooperative purchasing may include but is not limited to joint or
13 multi-party contracts between public procurement units and open-ended state public
14 procurement unit contracts which are made available to local public procurement
15 units.

16 (a) The cooperative qualifying as an "external procurement activity"
17 shall comply with its state's procurement statute that substantially complies
18 with Louisiana's state procurement statute.

19 (b) The "public procurement unit" is responsible for evaluating, and
20 documenting, the following procurement justification. The following steps are
21 necessary for a "public procurement unit" to evaluate an existing public
22 contract of an "external procurement activity":

23 (i) Does the purchasing cooperative qualify as an "external procurement
24 activity"?

25 (ii) Are the terms and conditions of the contract appropriate for use by
26 a Louisiana "public procurement unit"?

27 (iii) Is the contract in question a good fit for the "public procurement
28 unit"?

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Thomas L. Tyler.

DIGEST

SB 144 Original 2019 Regular Session Price

Present law, relative to the Louisiana Procurement Code, defines an external procurement activity to mean any buying organization not located in Louisiana which, if located in this state, would qualify as a public procurement unit. An agency of the United States government is an external procurement activity.

Proposed law retains these provisions but also requires that an approved "external procurement activity" be a purchasing cooperative administered by an agency of a state meeting the procurement statutes of that state and not a nonprofit or a for-profit private cooperative using a lead agency.

Present law, regarding cooperative purchasing, provides that a public procurement unit may either participate in, sponsor, conduct, or administer a cooperative purchasing agreement for the acquisition of any supplies, services, major repairs, or construction with one or more public procurement units or external procurement activities or one or more private procurement units in accordance with an agreement entered into between the participants. Provides that this cooperative purchasing may include joint or multi-party contracts between public procurement units and open-ended state public procurement unit contracts which are made available to local public procurement units.

Proposed law retains these provisions but adds the following items:

- (1) Requires that the cooperative qualifying as an "external procurement activity" comply with its state's procurement statute that substantially complies with Louisiana's state procurement statute.
- (2) The "public procurement unit" is responsible for evaluating and documenting the following procurement justification. The following steps are necessary for a "public procurement unit" to evaluate an existing public contract of an "external procurement activity":
 - (a) Does the purchasing cooperative qualify as an "external procurement activity"?
 - (b) Are the terms and conditions of the contract appropriate for use by a Louisiana "public procurement unit"?
 - (c) Is the contract in question a good fit for the "public procurement unit"?

Effective August 1, 2019.

(Amends R.S. 39:1556(23) and 1702(A)(1))