

2020 Regular Session

HOUSE BILL NO. 800

BY REPRESENTATIVE DESHOTEL

PROCUREMENT: Establishes requirements and regulations relative to Louisiana price schedule contracts

1 AN ACT

2 To enact R.S. 39:1593.1, relative to public procurement; to provide with respect to price
3 schedule contracts; to provide definitions; to provide requirements and regulations;
4 to provide exceptions; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 39:1593.1 is hereby enacted to read as follows:

7 §1593.1. Use of brand name contracts, Louisiana multiple award schedules, and
8 public cooperative contracts

9 A. The office of state procurement shall maintain a listing on its website of
10 all Louisiana price schedule contracts as defined in this Section, grouped by
11 categories of similar goods to enable full, fair, and open competition. The office of
12 state procurement shall identify which contract-holders, if any, are based in
13 Louisiana.

14 B. In all procurements in which two or more Louisiana price schedule
15 contracts are available for identical or substantively similar goods and the estimated
16 value of the procurement exceeds \$25,000, the procuring agency shall utilize the
17 following procedures and any applicable regulations promulgated by the Office of
18 State Procurement:

19 (1) The agency shall prepare a request for responses describing the nature
20 and volume of goods sought, using a generic description or a specific make and

1 model for comparison purposes, as well as any minimum specifications, mandatory
2 features, the location, schedule, deliverables, performance standards, acceptance
3 criteria, and any special requirements. The informal solicitation shall be used by the
4 agency to assist in determining best value.

5 (2) Utilizing the list established pursuant to Subsection A of this Section, the
6 agency shall solicit responses to the request for responses from at least three
7 contract-holders of Louisiana price schedule contracts, if available. At least one of
8 these selected, if available, shall be a business domiciled in Louisiana or a business
9 for whom a majority of ownership is held by residents of Louisiana.

10 (3) The agency shall evaluate responses to the request for responses and
11 document its decision in writing. The outcome of this evaluation shall be a public
12 record. The agency shall award the contract to the respondent offering the lowest
13 price if such offering is responsive to the specifications and requirements of the
14 request for responses. However, the agency may choose to not award to the
15 respondent offering the lowest price if other legitimate business interests of the
16 agency, or non-price characteristics of the various offerings, adequately justify award
17 to another respondent. These interests and characteristics may include but are not
18 limited to the quality and extent of product warranties offered, product life cycle
19 cost, maintenance, contractor production capacity, timeliness of delivery, contractor
20 product support capabilities, product availability, or the agency's systems
21 integrations and economies of scale.

22 C. For the purposes of this Section, the following terms shall have the
23 following meanings:

24 (1) "Brand name contract" means a contract established in accordance with
25 R.S. 39:1594 and R.S. 39:1568.1 and corresponding regulations, in which a specific
26 brand of product is required to be offered, and substitutions for similar products from
27 other brands are not allowed.

1 (2) "Goods" means all property, including but not limited to equipment,
2 materials, insurance, and leases on immovable property excluding land or a
3 permanent interest in land.

4 (3) "Louisiana price schedule" means a brand name contract, multiple award
5 schedule, or public cooperative contract.

6 (4) "Multiple award schedule" means a contract established in accordance
7 with R.S. 39:1568.1 and corresponding regulations, based on a contract established
8 between the United States General Services Administration or any other authorized
9 source and the contractor.

10 (5) "Public Cooperative Contract" means a contract established in accordance
11 with R.S. 39:1702 and corresponding regulations.

12 Section 2. This Act shall become effective July 1, 2020. If vetoed by the governor
13 and subsequently approved by the legislature, this Act shall become effective on the day
14 following such approval.

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)]

HB 800 Original

2020 Regular Session

Deshotel

Abstract: Establishes procedure for agencies to compare existing procurement contract offerings and determine which vendor offers best value.

Present law authorizes multiple different types of procurement contracts but does not provide a way for agencies to compare offerings between those existing contracts.

Proposed law requires the office of state procurement to post on its website a list of all available "price schedule" contracts, grouped by offered good and to identify which contract holders are based in La. Defines "price schedule" contracts as a brand name contract, multiple award schedule, or public cooperative contract (all established in present law).

Proposed law further requires any agency wishing to procure more than \$25,000 in goods from a price schedule contract to prepare a request for responses describing the nature and volume of goods sought and provide any other criteria or special requirements. Using the list of price schedule contracts on the office of state procurement's website (established pursuant to proposed law), the agency must solicit responses to the request for responses from at least three listed contract-holders, if available. At least one of these selected, if available, shall be a business domiciled in La. or a business for whom a majority of ownership is held by residents of La. The agency must then evaluate responses to the request for responses and document its decision in writing. Proposed law requires the outcome of this evaluation to be a public record. Requires the agency to award to the

respondent offering the lowest price, but allows award to another respondent if other legitimate business interests of the agency, or non-price characteristics of the various offerings, adequately justify award to another respondent. Examples of interests and characteristics that may justify awarding the contract to another respondent include: the quality and extent of product warranties offered, product life cycle cost, maintenance, contractor production capacity, and timeliness of delivery.

Effective July 1, 2020.

(Adds R.S. 39:1593.1)