HLS 15RS-368 ORIGINAL

2015 Regular Session

HOUSE BILL NO. 74

1

BY REPRESENTATIVE RICHARD

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

BUDGETARY PROCEDURES: Prohibits awarding certain contracts for social services without competitive bid

AN ACT

2	To amend and reenact R.S. 39:1619(B) and (C), relative to contracts for social services; to
3	remove authorization to award certain contracts without competitive bid; to prohibit
4	contracts for certain appropriations; and to provide for related matters.
5	Be it enacted by the Legislature of Louisiana:
6	Section 1. R.S. 39:1619(B) and (C) are hereby amended and reenacted to read as
7	follows:
8	§1619. Social service contracts
9	* * *
10	B. Contracts for social services may be awarded without the necessity of
11	competitive bidding or competitive negotiation only if the state chief procurement
12	officer determines that any one of the following conditions is present. The using
13	agency shall document the condition present and such documentation shall be part
14	of the contract record submitted to the office of state procurement.
15	(1) The services are available only from a single, or sole, source. Sole
16	source procurement shall be determined by the state chief procurement officer. A
17	contract shall also only be considered as sole source if a request for proposals is
18	issued in accordance with R.S. 39:1595(B) and only one or no proposals are
19	received.

1

2	contractor or contractors as authorized via the appropriation bill or other statutes
3	statute.
4	(3) A quasi-public or nonprofit corporation, such as a parish voluntary
5	council on aging, an area agency on aging, an affiliate of The Arc of Louisiana or
6	equivalent, an organization serving persons with intellectual or developmental
7	disabilities, an organization serving children, youth, or families, or an organization
8	promoting independence from public assistance has been established in coordination
9	with the state to provide the particular service involved in the contract.
10	(4) Local matching funds of greater than ten percent of the contract amount
11	are required to be contributed by the contractor. Such matching funds may be in the
12	form of cash, certified expenditures or in-kind contributions, where applicable to the
13	funding source.
14	(5) The nature of the services being provided necessitates that a continuity
15	of contractors be maintained as in but not limited to therapeutic and crisis support
16	to clients and employment and training programs.
17	(6)(4) An emergency exists which will not permit the delay in procurement
18	necessitated by the request for proposal procedure given in R.S. 39:1595(B). Such
19	emergency shall be determined by the state chief procurement officer.
20	(7) The total contract amount is less than two hundred fifty thousand dollars
21	per twelve-month period. Service requirements shall not be artificially divided so
22	as to exempt contracts from the request for proposal process.
23	(8)(5) The contract is with another governmental entity or governmental
24	body.
25	(9)(6) Funds are specifically designated by the federal government for a
26	particular private or public contractor or political subdivision.
27	(10) The contract is with a social service contractor who supplies services
28	under a contract in existence as of November 30, 1985, as long as such contractor
29	continues to supply substantially the same services and the using agency certifies:

(2) The state legislature has made an appropriation for that particular

1 (a) The services are satisfactory. 2 (b) They intend to continue contracting with that contractor. C. If none of the conditions given in Subsection B of this Section are 3 4 determined by the state chief procurement officer to be present in a contract for 5 social service, then that contract shall be awarded through a request for proposal 6 process in accordance with R.S. 39:1595(B) under rules and regulations issued by 7 the office of state procurement. However, if the state legislature makes an 8 appropriation to a particular contractor or contractors via an appropriation bill, but 9 there is no statute authorizing the appropriation to the contractor or contractors, the 10 contract shall not be awarded. 11

## 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 74 Original

2015 Regular Session

Richard

**Abstract:** Deletes authority to award certain social service contracts without competitive bid and prohibits the awarding of contracts to certain contractors unless the contractor is authorized by statute to receive the appropriation.

<u>Present law</u> authorizes certain contracts for social services to be awarded without the necessity of competitive bidding or negotiation in certain particular circumstances.

<u>Proposed law</u> deletes the following conditions under which a contract for social services may be awarded without competitive bid or negotiation:

- (1) When local cash or in-kind contributions exceed 10% of the required contract amount.
- (2) When services provided necessitate a continuity of contractors, including therapeutic and crisis support and employment and training programs.
- (3) When the total contract is less than \$250,000 per 12-month period.
- (4) Certain social service contracts in existence as of Nov. 30, 1985, as long as the contractor continues to satisfactorily supply substantially the same services.

<u>Present law</u> authorizes social service contracts to be awarded without competitive bid or negotiation for sole source procurement, as determined by the state chief procurement officer. <u>Present law</u> additionally allows a social service contract to be considered as sole source if a request for proposals (RFP) is issued and only one or no proposals are received.

<u>Proposed law</u> limits sole source procurement to contracts for which only one or no proposals are received under the RFP process.

<u>Present law</u> authorizes a social service contract to be awarded without competitive bid or negotiation if the state legislature has made an appropriation for that particular contractor via an appropriation bill or other statute.

Proposed law specifies that the exception only applies to appropriations provided by statute.

<u>Proposed law</u> prohibits the awarding of a contract to a contractor in cases where the legislature makes an appropriation to the contractor but the appropriation is not authorized by law.

(Amends R.S. 39:1619(B) and (C))