

**HOUSE SUMMARY OF SENATE AMENDMENTS****HB 477****2020 Regular Session****Ivey**

PURCHASING/PROCUREMNT CD: Provides relative to technology procurement

**Synopsis of Senate Amendments**

1. Increases from \$100,000 to \$150,000 the threshold below which public colleges and universities may purchase technology equipment, software, and maintenance services without advance approval from the office of state procurement.
2. Increases from \$100,000 to \$225,000 the threshold above which procurement contracts must have the assistance of a procurement support team.
3. Increases from a total value of less than \$50,000 to a value of less than \$75,000 for a twelve-month period the threshold below which consulting contracts may be obtained via noncompetitive negotiation.
4. Increases from \$50,000 for a twelve-month period to \$75,000 for a twelve-month period the threshold below which consulting contracts may be obtained without competitive bidding or competitive negotiation.
5. Increases from \$50,000 or more for a twelve-month period to \$75,000 or more for a twelve-month period the threshold above which consulting contracts must be awarded through a request for proposal (RFP) process.
6. Increases from \$140,000 or more to \$225,000 or more the threshold above which procurement of a consulting services contract may have the assistance of a procurement support team.
7. Increases from \$500 to \$1,000 the penalty for violation of the Procurement Code or any rule or regulation promulgated by the commissioner of administration regarding purchasing.
8. Bifurcates the effective date of the legislation, so that part of proposed law becomes effective if HB 636 of the 2020 Regular Session becomes effective and the remainder becomes effective upon signature of the governor.

**Digest of Bill as Finally Passed by Senate**

Present law (R.S. 39:196 et seq.) provides procedures and requirements for agencies in the executive branch of state government (other than agencies headed by a statewide elected official) to use for the purchase, lease, and rental of information technology equipment, related services, and software. Present law (R.S. 39:1551 et seq.) provides procedures and requirements for state procurement.

Proposed law retains present law and additionally provides that an agency shall not be required to follow the procedures provided in present law for procurement of software and the hardware used to support the software if the alternative procedures to be used by the agency are approved by the Jt. Legislative Committee on Technology and Cybersecurity and the specific procurement is approved by the Jt. Legislative Committee on the Budget.

Present law (R.S. 39:199) provides that public colleges or universities may procure information technology equipment, software and maintenance services without the advance approval of the office of state procurement when a single expenditure for such materials or

services does not exceed \$100,000. Proposed law increases the threshold from \$100,000 to \$150,000.

Present law (R.S. 39:200) provides that all contracts for information technology procurement in excess of \$100,000 require the assistance of a procurement support team. Proposed law increases the threshold from \$100,000 to \$225,000.

Present law (R.S. 39:1600) provides that contracts for consulting services with a total maximum value of less than \$50,000 may be awarded as negotiated noncompetitive contracts. Proposed law increases the threshold from a total value of \$50,000 to \$75,000 in a twelve-month period.

Present law (R.S. 39:1621) provides that contracts for consulting services with a value of \$50,000 for a twelve-month period may be awarded without competitive bidding or competitive negotiation. Proposed law increases this threshold from \$50,000 for a twelve-month period to \$75,000 for a twelve-month period.

Present law further provides that contracts for consulting services with a total maximum compensation of \$50,000 or more in a twelve-month period shall be awarded pursuant to a request for proposals. Proposed law increases this threshold from \$50,000 or more in a twelve-month period to \$75,000 or more in a twelve-month period.

Present law further provides that all contracts for consulting services which have a total maximum amount of compensation of \$140,000 or more may be entered into with the assistance of a procurement support team. Proposed law increases this threshold from \$140,000 to \$225,000.

Present law (R.S. 39:1679) establishes a maximum penalty of \$500 for intentional violation of the La. Procurement Code or any rule or regulation with respect to purchasing promulgated by the commissioner of administration. Proposed law increases this penalty from \$500 to \$1,000.

Provisions with respect to alternative technology procurement procedures become effective if and when House Bill No. 636 of this 2020 R.S. is enacted and becomes effective. The remainder of the bill becomes effective upon signature of the governor.

(Amends R.S. 39:199(E), 200(I), 1600(E), 1621(A), (B), and (C)(1), and 1679(B); Adds R.S. 39:199.1)