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

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SB 144 Original	DIGEST 2019 Regular Session	Price
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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))