
DIGEST

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HB 431 Reengrossed

2023 Regular Session

Deshotel

Abstract: Provides for methods of procurement for the office of technology services.

Present law provides for the creation of the Joint Legislative Committee on Technology and Cybersecurity (JLCTC). Provides for the duties and functions of the committee, which include the power to review budget or expenditure requests related to technology or cybersecurity.

Proposed law retains present law and adds the power to review procurement requests related to technology or cybersecurity.

Present law provides for definitions related to the procurement of information technology.

Proposed law retains present law and adds the definitions of consulting service, invitation to negotiate, and professional services.

Present law provides for the types of contracts permitted in the procurement of information technology systems, information technology services, and software. Provides for contracts to be entered into through a request for proposals.

Proposed law retains present law and adds professional services and consulting services contracts related to information technology to the types of contracts permitted in present law provisions that govern procurement of information technology. Adds competitive sealed bids, competitive sealed proposals, reverse auction, cooperative purchasing, and an invitation to negotiate as the methods of procurement for information technology.

Present law provides for multi-year contracts in the procurement of information technology systems, information technology services, and software.

Proposed law retains present law and adds professional services and consulting services contracts related to information technology to the types of contracts eligible for multi-year contracts. Provides that professional services and consulting services contracts related to information technology shall not exceed five years. Provides that contracts for electronic benefit issuance system services shall be for an initial contract period of six years with an option for two options for two-year extensions up to a maximum of ten years.

Present law requires all multi-year contracts to contain language concerning the appropriation of funds to fulfill the requirements of the contracts. Proposed law changes the word "must" to "shall". Proposed law provides for when funds are not appropriated to continue a multi-year contract and the

cost of cancellation of a contract.

Present law provides for a report of all multi-year contracts to be provided to the Joint Legislative Committee on the Budget (JLCB) each fiscal year. Provides that any contract entered into for more than three years is subject to approval by JLCB.

Proposed law retains present law and adds that the report shall also be provided to JLCTC. Adds that any contract entered into for more than three years, inclusive of initial contract extension options and later executed contract extensions, and has a cost of more than \$2 million or procured through an invitation to negotiate is subject to review by JLCTC and approval of JLCB. Requires those contracts for review and approval to be submitted 30 days prior to the scheduled meetings of JLCTC and JLCB. Further requires the office of technology services to submit a monthly report of all multiyear contracts, including pending contracts, with a cost of more than \$1 million to JLCTC.

Proposed law provides for the invitation to negotiate and sets the parameters for the new procurement method.

Proposed law repeals the requirement that information technology contracts are subject to review by the procurement support team.

(Amends R.S. 24:673(A) and (C) and R.S. 39:198(A), (B)(intro. para.) and (1), (C)(1), (D)(intro. para.), (1), and (2), (E)(intro. para.) and (4), (G)(intro. para.) and (1)(a), (c), and (d), and (M); Adds R.S. 39:197(20), (21), and (22), 1556(63), 1593(6)(f), and 1600.2; Repeals R.S. 39:198(G)(4) and 200(I))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Appropriations to the original bill:

1. Provide for the authority of the Joint Legislative Committee on Technology and Cybersecurity (JLCTC) to review any procurement request.
2. Add the definitions of consulting service and professional service.
3. Add the authority to the office of technology services to enter into professional services and consulting services contracts related to information technology.
4. Add the invitation to negotiate as a method of procurement available to the office of technology services and add the requirements for the invitation to negotiate.
5. Add professional services and consulting services contracts related to information technology to the types of contracts that may be multi-year contracts.
6. Authorize contracts for electronic benefit issuance system services to be entered into for

periods of up to ten years with an initial contract period of six years and two options for two-year extensions.

7. Require all contracts to contain language concerning the appropriation of funds to fulfill the requirements of the contract and provide for when funds are not appropriated and the cost of the cancellation of a contract.
8. Provide for the review of a contract procured for a period of more than three years and with a cost of more than \$2 M by JLCTC and approval by JLCB, require all contracts procured through an invitation to negotiate to be reviewed by JLCTC, and provide for a time line in which to submit contracts for review and approval to JLCTC and JLCB, respectively.
9. Repeal R.S. 39:198(G)(4).
10. Make technical changes.

The House Floor Amendments to the engrossed bill:

1. Change "state purchasing office" to "office of state procurement".
2. Change the methods of source selection from those found in R.S. 39:1593 to those found in R.S. 39:1594, 1595, 1600(D), 1600.2, and 1702.
3. Change "contract extensions" to "contract extension options" relative to those contracts which shall be reviewed by the Joint Legislative Committee on Technology and Cybersecurity (JLCTC) and approved by the Joint Legislative Committee on the Budget (JLCB).
4. Add the provision that any contract extension of a contract procured for a period of more than three years and \$2 million shall be reviewed by JLCTC and approved by JLCB.
5. Change the requirement that an agency shall submit a contract for review by JLCTC and approval by JLCB from 65 days prior to issuance to 30 days prior to the scheduled meetings of JLCTC and JLCB.
6. Require the office of technology services to submit a monthly report of all multiyear contracts, including pending contracts, with a cost of over \$1 million.
7. Require all contracts procured by an invitation to negotiate to be reviewed by JLCTC.
8. Move provisions of proposed law providing for the invitation to negotiate from R.S. 39:1600(F) to R.S. 39:1600.2.
9. Add provisions repealing R.S. 39:200(I).

10. Make technical changes.