

2024 Regular Session

HOUSE BILL NO. 845

BY REPRESENTATIVE DESHOTEL

PROCUREMENT: Provides relative to procurement of information technology

1 AN ACT

2 To amend and reenact R.S. 24:673(A) and (C) and R.S. 39:198(A), (B)(introductory  
3 paragraph) and (1), (C)(1), (D)(introductory paragraph), (1), and (2),  
4 (E)(introductory paragraph) and (4), (G)(introductory paragraph) and (1)(a), (c), and  
5 (d), (I), and (M), to enact R.S. 39:197(20) through (22), 1556(63), 1593(6)(f), and  
6 1600.2, and to repeal R.S. 39:198(G)(4) and 200(I), relative to the procurement of  
7 information technology; to provide for authority of certain legislative committees;  
8 to provide for review of certain contracts; to provide for methods of procurement;  
9 to provide for invitation to negotiate as a method of procurement; to provide for the  
10 types of contracts that may be procured by certain methods; to provide relative to  
11 contract terms; to provide relative to procurement support; and to provide for related  
12 matters.

13 Be it enacted by the Legislature of Louisiana:

14 Section 1. R.S. 24:673(A) and (C) are hereby amended and reenacted to read as  
15 follows:

16 §673. Budget requests and expenditure requests; technology funds, fees, and  
17 donations; review

18 A. ~~At the request of the Joint Legislative Committee on the Budget, the~~  
19 ~~committee shall review any budget request or expenditure request~~ The committee  
20 may review any budget request, expenditure request, or procurement request related

1 to technology or cybersecurity. The committee shall review and approve a budget  
2 request, expenditure request, or procurement request if required by law or requested  
3 by the Joint Legislative Committee on the Budget. The committee shall perform its  
4 review and submit its comments and recommendations ~~regarding the request~~ to the  
5 Joint Legislative Committee on the Budget in a timely manner.

6 \* \* \*

7 C. The committee may review ~~all~~ any technology fees and expenditures  
8 related to information technology and cybersecurity from ~~dedicated funds~~ any means  
9 of finance and shall report its findings and recommendations as it deems appropriate.

10 Section 2. R.S. 39:198(A), (B)(introductory paragraph) and (1), (C)(1),  
11 (D)(introductory paragraph), (1), and (2), (E)(introductory paragraph) and (4),  
12 (G)(introductory paragraph) and (1)(a), (c), and (d), (I), and (M) are hereby amended and  
13 reenacted and R.S. 39:197(20) through (22), 1556(63), 1593(6)(f), and 1600.2 are hereby  
14 enacted to read as follows:

15 §197. Definitions

16 For the purposes of this Part, the following words and phrases shall be  
17 defined as follows:

18 \* \* \*

19 (20) "Consulting service" shall have the same meaning as provided in R.S.  
20 39:1556.

21 (21) "Invitation to negotiate" means a written or electronically posted  
22 solicitation for competitive sealed replies to select one or more vendors with which  
23 to commence negotiations for the procurement of information technology systems,  
24 information technology services, software, professional services, or consulting  
25 services.

26 (22) "Professional service" shall have the same meaning as provided in R.S.  
27 39:1556.

1 §198. Types of contracts permitted

2 A. The types of contracts permitted in the procurement of information  
3 technology systems, information technology services, ~~and software, and professional~~  
4 services contracts and consulting services contracts related to information  
5 technology, are defined in this Part, and the provisions of this Part supersede, with  
6 respect to such procurements, any existing conflicting statutory provisions and  
7 supplement the provisions of R.S. 39:1551 through 1736.

8 B. The office of technology services, through the ~~state purchasing office,~~  
9 office of state procurement, may, on behalf of any state agency, enter into  
10 information technology systems contracts, as well as professional services contracts  
11 and consulting services contracts related to information technology, in accordance  
12 with the following provisions:

13 (1) Contracts of this type shall be entered into ~~through a request for~~  
14 ~~proposals as provided in R.S. 39:199.~~ using one of the methods of source selection  
15 provided in R.S. 39:199, 200, 1594, 1595, 1600(D), 1600.2, and 1702. ~~An invitation~~  
16 ~~to bid format may be utilized with written approval from the state chief information~~  
17 ~~officer.~~

18 \* \* \*

19 C. The office of technology services, through the office of state procurement,  
20 may on behalf of any state agency, enter into information technology services  
21 contracts in accordance with the following provisions:

22 (1) Contracts of this type shall be entered into ~~through a request for~~  
23 ~~proposals as provided in R.S. 39:199.~~ using one of the methods of source selection  
24 provided in R.S. 39:199, 200, 1594, 1595, 1600(D), 1600.2, and 1702. ~~An invitation~~  
25 ~~to bid format may be utilized with written approval from the state chief information~~  
26 ~~officer.~~

27 \* \* \*

28 D. The office of technology services, through the office of state  
29 procurement, may on behalf of any state agency, enter into a an information

1 technology systems lease contract for an operating lease, installment purchase, or  
2 financed lease for information technology systems in accordance with the following  
3 provisions:

4 (1) All contracts of this type shall be entered into ~~through a request for~~  
5 ~~proposals as provided in R.S. 39:199.~~ using one of the methods of source selection  
6 provided in R.S. 39:199, 200, 1594, 1595, 1600(D), 1600.2, and 1702.

7 (2) The justification of such contracts must be approved by the office of  
8 technology services prior to issuance of a request for proposals or an invitation to  
9 negotiate. Such justification shall identify and consider all cost factors relevant to  
10 that contract.

11 \* \* \*

12 E. ~~Notwithstanding the provisions of R.S. 39:1615 to the contrary, the~~ The  
13 use of a multi-year contract for information technology systems, and information  
14 technology services, and professional services contracts and consulting services  
15 contracts related to information technology shall be in accordance with rules and  
16 regulations and under the following conditions:

17 \* \* \*

18 (4) A report of all multi-year contracts shall be provided to the Joint  
19 Legislative Committee on the Budget and the Joint Legislative Committee on  
20 Technology and Cybersecurity no later than ninety days after the end of each fiscal  
21 year.

22 \* \* \*

23 G. Multiyear contracts other than direct order contracts and contracts for  
24 fiscal intermediary services. The office of technology services, through the office of  
25 state procurement, may on behalf of any state agency ~~State agencies may~~ enter into  
26 contracts for the lease or purchase of information technology systems, information  
27 technology services, ~~or~~ software, and professional services contracts and consulting  
28 services contracts related to information technology when the term of such lease or

1 purchase is greater than twelve months or involves more than one fiscal year in  
2 accordance with the following provisions:

3 (1) General terms and conditions for multiyear contracts shall be as follows:

4 (a) All contracts of this type shall be entered into ~~through competitive sealed~~  
5 ~~bidding~~ using one of the methods of source selection as provided in R.S. 39:199,  
6 200, 1594, 1595, 1600(D), 1600.2, and 1702.

7 \* \* \*

8 (c)(i) The term of such contract shall ~~not exceed sixty months~~ be in  
9 accordance with Subsections B, C, and D of this Section.

10 (ii) Notwithstanding Item (i) of this Subparagraph, contracts for electronic  
11 benefits issuance system services as required pursuant to R.S. 46:450.1 may be  
12 entered into for periods of up to ten years. The contracts shall be for an initial  
13 contract period of six years with the state having two options for two-year extensions  
14 up to a maximum of ten years.

15 (iii) Notwithstanding Item (i) of this Subparagraph and Subsection I of this  
16 Section, contracts of this type may be entered into for periods of up to ten years with  
17 approval from the Joint Legislative Committee on Technology and Cybersecurity.  
18 The contracts shall be for an initial contract period of no more than six years with the  
19 state having two options for two-year extensions up to a maximum of ten years.

20 (d)(i) All such contracts ~~must~~ shall contain the following annual  
21 appropriation dependency clause:

22 "The continuation of this contract is contingent upon the continuation of an  
23 appropriation of funds by the legislature to fulfill the requirements of the contract.  
24 If the legislature fails to appropriate sufficient monies to provide for the continuation  
25 of a contract or if such appropriation is reduced by the veto of the governor or by any  
26 means provided in the Appropriation Act or Title 39 of the Louisiana Revised  
27 Statutes of 1950 to prevent the total appropriations for the year from exceeding  
28 revenues for that year or for any other lawful purpose and the effect of such  
29 reduction is to provide insufficient monies for the continuation of the contract, the

1 contract shall terminate on the date of the beginning of the first fiscal year for which  
2 funds are not appropriated."

3 (ii) When funds are not appropriated or otherwise made available to support  
4 continuation of performance in the following fiscal year of a multiyear contract for  
5 professional or consulting services, the contract for the remaining term shall be  
6 cancelled and the contractor shall be reimbursed in accordance with the terms of the  
7 contract for the reasonable value of any nonrecurring costs incurred but not  
8 amortized in the price of services delivered pursuant to the contract. The cost of  
9 cancellation may be paid from appropriations made specifically for the payment of  
10 such cancellation costs or from unobligated funds of the using agency.

11 (iii) With respect to all multiyear contracts for professional services and  
12 consulting services pursuant to this Subsection, there shall be no provisions for a  
13 penalty to the state for cancellation or early payment of the contract.

14 \* \* \*

15 I. Contracts for fiscal intermediary services. (1) State agencies may enter  
16 into contracts for fiscal intermediary services: as follows: ~~The term of the contract~~  
17 ~~shall be one hundred twenty months. If special circumstances, as provided in~~  
18 ~~Paragraph (9) of this Subsection, necessitate, additional one-year extensions of the~~  
19 ~~contract may be granted. The award process and final contract shall include the~~  
20 ~~following:~~

21 ~~(1) Contracts for fiscal intermediary services shall be awarded by~~  
22 ~~competitive sealed proposals in accordance with R.S. 39:1595 or cooperative~~  
23 ~~purchasing in accordance with R.S. 39:1702.~~

24 (a) Contracts for fiscal intermediary services with a total contract value of  
25 ten million dollars or less, valued over the total period of performance, may be  
26 awarded by competitive sealed proposals in accordance with R.S. 39:1595 or  
27 cooperative purchasing in accordance with R.S. 39:1702.

1            (b) Contracts for fiscal intermediary services with a total contract value  
2            greater than ten million dollars, valued over the total period of performance, shall be  
3            awarded by competitive sealed proposals in accordance with R.S. 39:1595.

4            (2) Except as otherwise provided in this Section, the award process and final  
5            contract shall comply with the following requirements:

6            ~~(2)~~ (a) Justification for the contract shall be submitted to the ~~state central~~  
7            ~~purchasing agency~~ office of state procurement and shall be submitted to the ~~Joint~~  
8            ~~Legislative Committee on the Budget~~ at least forty-five days prior to the issuance of  
9            ~~a solicitation for proposals.~~ Joint Legislative Committee on Technology and  
10           Cybersecurity. Within thirty days of receipt of the justification by the ~~Joint~~  
11           ~~Legislative Committee on the Budget~~ Joint Legislative Committee on Technology  
12           and Cybersecurity, the committee may conduct a public hearing on the justification  
13           which was submitted. This justification shall include identification and consideration  
14           of all factors, including costs, ~~relevant to the solicitation for proposals~~ and the final  
15           proposed contract.

16           ~~(3)~~ (b) The term of the contract shall be one hundred twenty months. The  
17           one-hundred-twenty-month term of such contract shall be divided into one period of  
18           between thirty-six months and sixty months, immediately followed by successive  
19           twelve-month periods. The state shall have an option to renew such contract for each  
20           of the twelve-month periods. If the state does not exercise its option to renew, the  
21           contract shall be terminated. In the event special circumstances occur, as provided  
22           in Paragraph ~~(9)~~(3) of this Subsection, additional twelve-month extensions of the  
23           contract may be granted.

24           ~~(4)~~ (c) In addition to other provisions as required by law or in the best  
25           interests of the state, such contract shall contain provisions setting forth, ~~(a)~~(i) the  
26           amount and requirements of the contractor's performance bond, ~~(b)~~(ii) penalty and  
27           enforcement provisions for the failure of the contractor to perform in accordance  
28           with the contract documents, ~~(c)~~(iii) conditions for optional renewal of the contract  
29           by the state in accordance with the provisions of this Subsection, and ~~(d)~~(iv)

1 requirements for termination of the contract by the state at any time, or for cause, or  
2 upon the refusal of the state to exercise an option to renew such contract.

3 ~~(5)~~ (d)(i) Issuance If procurement is pursuant to competitive sealed proposals  
4 pursuant to Subparagraph (1)(b) of this Subsection, issuance of specifications for a  
5 solicitation for proposals on a contract for fiscal intermediary services shall be made  
6 at least twelve months prior to the termination date of an existing contract, unless the  
7 contract termination is for cause or due to the refusal of the state to exercise an  
8 option to renew.

9 (ii) If procurement is pursuant to Subparagraph (1)(b) of this Subsection, any  
10 award of a contract shall be in compliance with Subsection M of this Section.

11 ~~(6)~~ (e) No If procurement is pursuant to Subparagraph (1)(a) of this  
12 Subsection, no award of the contract shall be made until the ~~Joint Legislative~~  
13 ~~Committee on the Budget~~ Joint Legislative Committee on Technology and  
14 Cybersecurity has conducted a public hearing concerning the award.

15 ~~(7)~~ (f) No award of the contract shall be made later than eight months prior  
16 to the termination date of an existing contract, unless the contract termination is for  
17 cause or due to the refusal of the state to exercise an option to renew.

18 ~~(8)~~ (g) No option to renew the contract shall be exercised by the state until  
19 the following criteria have been satisfied:

20 ~~(a)~~ (i) The Louisiana Department of Health has conducted a public hearing  
21 concerning such renewal.

22 ~~(b)~~ (ii) The Louisiana Department of Health submits to the ~~Joint Legislative~~  
23 ~~Committee on the Budget~~ Joint Legislative Committee on Technology and  
24 Cybersecurity a notice of intention by the Louisiana Department of Health to  
25 exercise the option to renew the contract and a copy of any public testimony which  
26 was taken at the public hearing held by the Louisiana Department of Health. The  
27 ~~Joint Legislative Committee on the Budget~~ Joint Legislative Committee on  
28 Technology and Cybersecurity may hold a public hearing concerning the renewal

1 within thirty days following the receipt of a notice of intention by the Louisiana  
2 Department of Health to exercise the option to renew the contract.

3 (c) ~~(iii)~~ ~~The Joint Legislative Committee on the Budget~~ Joint Legislative  
4 Committee on Technology and Cybersecurity has conducted a public hearing  
5 concerning the renewal or thirty days have elapsed from the date the Louisiana  
6 Department of Health submitted a notice of intention to renew the contract to the  
7 ~~Joint Legislative Committee on the Budget~~ Joint Legislative Committee on  
8 Technology and Cybersecurity and the committee has not posted a public notice of  
9 meeting concerning the renewal of the contract.

10 (h) If procurement is pursuant to competitive sealed proposals pursuant to  
11 Subparagraph (1)(b) of this Subsection and the request for proposals references a  
12 prior fiscal intermediary services procurement approved by the United States  
13 Department of Health and Human Services, Centers for Medicare and Medicaid  
14 Services and the prior procurement resulted in multiple pre-qualified suppliers, the  
15 publication of any request for proposals required pursuant to this Subsection and R.S.  
16 39:1595 may be limited to such pre-qualified suppliers, if the agency provides  
17 written notice of the request for proposals to all pre-qualified suppliers.

18 (9) ~~(3)~~ In the event the Louisiana Department of Health or the United States  
19 Department of Health and Human Services, Centers for Medicare and Medicaid  
20 Services proposes substantial changes in the operations of the Medicaid program that  
21 would materially impact the services performed by the fiscal intermediary, the  
22 Louisiana Department of Health may, subject to the approval of the ~~Joint Legislative~~  
23 ~~Committee on the Budget~~ Joint Legislative Committee on Technology and  
24 Cybersecurity, approve additional extensions of the contract until it is practical to  
25 prepare a solicitation for proposals describing the revised services that would be  
26 performed by the fiscal intermediary. During the time frame covered by any  
27 extension beyond the original one-hundred-twenty-month period, the fiscal  
28 intermediary may be required to perform additional functions to assist in preparing  
29 the Louisiana Department of Health in the transition to the new program. These

1 functions may include existing fiscal intermediary services as well as efforts to  
2 control fraud and abuse, program reports, beneficiary enrollment and program  
3 information services, encounter data, and annual managed care negotiation data.

4 \* \* \*

5 M.(1)(a) ~~Any contract entered into for a period of more than three years as~~  
6 ~~authorized by this Section shall be subject to prior approval of the Joint Legislative~~  
7 ~~Committee on the Budget.~~ No award of any contract procured for a period of more  
8 than three years, inclusive of contract extension options, and with a cost of more than  
9 ten million dollars shall be made until the contract is reviewed and approved by the  
10 Joint Legislative Committee on Technology and Cybersecurity. If an extension of  
11 any contract procured for a period of more than three years, inclusive of contract  
12 extension options, and with a cost of more than ten million dollars would increase  
13 the total contract cost more than five percent, then the extension shall not be  
14 executed until after the extension is reviewed and approved by the Joint Legislative  
15 Committee on Technology and Cybersecurity.

16 (b) The issuing agency shall submit the contract for review and approval by  
17 the Joint Legislative Committee on Technology and Cybersecurity. The Joint  
18 Legislative Committee on Technology and Cybersecurity shall conduct a public  
19 hearing to consider approval of the award no later than thirty days after the contract  
20 is submitted by the issuing agency. Any request not approved within thirty days  
21 after the contract is submitted by the issuing agency shall automatically be referred  
22 by the chairman of the Joint Legislative Committee on Technology and  
23 Cybersecurity to the Joint Legislative Committee on the Budget for review and  
24 approval.

25 (c) Any contract approved by the Joint Legislative Committee on  
26 Technology and Cybersecurity pursuant to this Subsection shall be reported to the  
27 Joint Legislative Committee on the Budget.





1           D. The office of state procurement may terminate negotiations at any time,  
2           in the best interest of the state, and shall provide the reasons therefor in writing.

3           E. The contract file for the vendor selection through an invitation to  
4           negotiate shall contain a short plain statement that explains the basis for the selection  
5           of the vendor and that sets forth the vendor's deliverables and price, pursuant to the  
6           contract, along with an explanation of how the deliverables and price provide the  
7           best value to the state.

8           F. In accordance with the Administrative Procedure Act, the division of  
9           administration, office of state procurement, is hereby authorized and directed to  
10           adopt and promulgate rules necessary for the administration of the provisions of this  
11           Section.

12           Section 3. R.S. 39:198(G)(4) and 200(I) are hereby repealed in their entirety.

13           Section 4. The Louisiana State Law Institute is hereby authorized and directed to  
14           arrange in alphabetical order and renumber the definitions provided in R.S. 39:197 and 1556  
15           as amended by this Act.

---

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 845 Reengrossed

2024 Regular Session

Deshotel

**Abstract:** Provides for methods of procurement for information technology.

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 authority to review budget or expenditure requests related to technology or cybersecurity.

Proposed law retains present law and adds the authority to review and approve 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 service".

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 contracts 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 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 contracts and consulting services contracts related to information technology to the types of contracts eligible for multi-year contracts. Provides that professional services contracts and consulting services contracts related to information technology shall not exceed an initial term of six years with two options for two-year extensions for a maximum of ten 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 retains present law and 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 the procurement of contracts for fiscal intermediary services. Provides for the term of the contract to be one hundred twenty months. Provides for additional one-year extensions.

Proposed law removes the authorization for additional one-year extensions.

Present law provides for contracts for fiscal intermediary services to be awarded by competitive sealed proposals or cooperative purchasing. Proposed law requires competitive sealed proposals or cooperative purchasing for fiscal intermediary contracts with a value of \$10 million or less. Further requires competitive sealed proposals for fiscal intermediary contracts with a value greater than \$10 million. Otherwise retains present law.

Present law requires justification for a fiscal intermediary contract to be submitted to the Joint Legislative Committee on the Budget (JLCB). Further authorizes JLCB to conduct a public hearing on the justification which was submitted. Proposed law changes the authority of JLCB to JLCTC.

Present law requires certain provisions to be included in fiscal intermediary contracts. Proposed law retains present law.

Present law requires the issuance of specifications for a solicitation of proposals on a contract for fiscal intermediary services to be made at least 12 months prior to the termination of the existing contract. Proposed law removes this requirement for contracts for fiscal intermediary services when procured by competitive sealed proposals or cooperative purchasing with a total contract value of \$10 million or less. Proposed law limits the requirement regarding issuance of specifications to contracts procured by a competitive sealed proposal with a total contract value greater than \$10 million. Proposed law further requires contracts for fiscal intermediary services with a total contract value greater than \$10 million to be in compliance with all other provisions regarding multi-year contracts.

Present law provides for JLCB to review a notice of intention by the Louisiana Dept. of Health (LDH) to exercise an option to renew a fiscal intermediary contract. Further provides for JLCB to hold a public hearing concerning the renewal following the receipt of notice of intention. Proposed law changes the authority of JLCB to JLCTC.

Proposed law authorizes state agencies to limit a proposal for fiscal intermediary services to a limited list of pre-qualified suppliers when using a competitive sealed proposal with a total contract value greater than \$10 million that references a prior fiscal intermediary services procurement approved by CMS and the prior procurement resulted in multiple pre-qualified suppliers.

Present law provides for a report of all multi-year contracts to be provided to 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. Proposed law requires that any contract entered into for more than three years, inclusive of contract extension options, and with a cost of more than \$10 million is subject to review and approval by JLCTC. Requires review and approval by JLCTC of an extension of such a contract if the extension would increase the total cost more than 5%. Provides a deadline for such review by JLCTC and provides for the referral of the contract to JLCB when JLCTC does not approve the contract prior to the deadline. Requires any contract approved by JLCTC to be reported to JLCB. Authorizes the chairman of JLCTC, at his discretion, to refer any contract for review and approval to JLCB. Requires a contract procured through an invitation to negotiate to be reviewed by JLCTC. Further requires the office of technology services to submit a monthly report of all multi-year 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 procurement method.

Present law requires certain contracts to be entered into with the assistance of a procurement support team. Requires assistance in the evaluation of bids and negotiation of contracts. Provides for the composition of the procurement support team.

Proposed law repeals present law.

(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), (I), and (M); Adds R.S. 39:197(20)-(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. Authorize the Joint Legislative Committee on Technology and Cybersecurity (JLCTC) to approve budget requests, expenditure requests, or procurement requests.
2. Remove language concerning items that may be procured with an invitation to negotiate. Remove commodities or contractual services and replace with information technology systems, information technology services, software, professional services, or consulting services.
3. Authorize the office of technology services to enter into multi-year contracts for up to ten years, with an initial contract period of six years and two options to extend a contract for two-year extensions.
4. Authorize the office of technology services to award a contract for fiscal intermediary services with a total contract value of \$10 million or less using

- competitive sealed proposals or cooperative purchasing. Require this type of contract to be reviewed by JLCTC prior to the award of a contract.
5. Authorize the office of technology services to award a contract for fiscal intermediary services with a total contract value greater than \$10 million using competitive sealed proposals. Require this type of contract to issue specification for a solicitation of proposals to be made at least 12 months prior to the termination date of an existing contract. Require this type of contract to be in compliance with the requirements for all other multi-year contracts.
  6. Change the authority to review and approve a fiscal intermediary contract, the option to renew, or an extension of a contract from the Joint Legislative Committee on the Budget (JLCB) to JLCTC.
  7. Authorize state agencies to limit a proposal for fiscal intermediary services to a limited list of pre-qualified suppliers when using a competitive sealed proposal with a total contract value greater than \$10 million that references a prior fiscal intermediary services procurement approved by CMS and the prior procurement resulted in multiple pre-qualified suppliers.
  8. Change the threshold for a multi-year contract to be reviewed and approved from \$2 million to \$10 million.
  9. Change the authority to review and approve a multi-year contract for a period of more than three years or with a cost of more than \$10 million from JLCB to JLCTC. Remove the provision that the review of this type of contract would also apply to the extension of the contract.
  10. Require JLCTC to conduct a public a hearing to consider the approval of a contract no later than 30 days after the contract is submitted by the issuing agency. Authorize any contract not approved within the 30 days shall automatically be referred by the chairman of JLCTC to JLCB for review and approval.
  11. Require any contract approved by JLCTC to be reported to JLCB.
  12. Authorize the chairman of JLCTC, at his discretion, to refer any request for review and approval directly to JLCB.
  13. Remove the requirement that pending multi-year contracts be reported to JLCTC.
  14. Remove the language that an invitation to negotiate may be utilized for the acquisition of materials, supplies, services of any type, products, equipment, or consulting services of any monetary amount, including small purchases. Add language that the invitation to negotiate may be utilized for procurement of any monetary amount, including small purchases.
  15. Provide that auction techniques and disclosure of information derived from competing proposals are prohibited during negotiations.
  16. Remove language regarding ranking proposals or offers resulting from an invitation to negotiate.
  17. Make technical changes.

The House Floor Amendments to the engrossed bill:

1. Restore source selection methods for the procurement of maintenance services, software, software maintenance and support services, and the purchase of equipment being leased or rented.
2. Change the review and approval a multi-year contract from those executed for a period of more than three years or with a cost of more than \$10 million to those executed for a period of more than three years and with a cost of more than \$10 million.
3. Require review and approval by JLCTC of an extension of a contract executed for a period of more than 3 years and with a cost of more than \$10 million if the extension would increase the total cost more than 5%.
4. Make technical changes.