
DIGEST

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HB 764 Original

2026 Regular Session

Jordan

Abstract: Establishes the La. State Contract Minority Business Opportunity Act for the purpose of increasing participation by minority-owned and disadvantaged businesses in state contracting and provides for duties of the division of administration with respect to contracting.

Proposed law establishes the La. State Contract Minority Business Opportunity Act to encourage minority-owned and disadvantaged business enterprise (MBE/DBE) participation in state contracts. Provides for the definition of terms. Establishes participation goals for the percentage of contracts awarded to certified MBE/DBEs.

Proposed law requires state agencies to designate a compliance officer responsible for the implementation of this program. Requires state agencies to maintain a database of certified MBE/DBEs and to conduct outreach to those same businesses to solicit bids for contracts anticipated to exceed \$50,000. Further requires state agencies to require prime contractors to submit certified MBE/DBE utilization plans as part of the bid and to use this utilization as a weighted evaluation criterion. Requires state agencies to report on participation rates.

Proposed law requires prime contractors to make good faith efforts to meet participation goals and to negotiate in good faith when certified MBE/DBE quotes are received. Requires prime contractors to receive written approval from the contracting state agency prior to termination of a certified MBE/DBE. Also requires submission of monthly utilization reports to the contracting agency.

Proposed law provides for sanctions on state agencies for noncompliance after two consecutive fiscal years. Also provides for sanctions on prime contractors that fail to meet their certified MBE/DBE utilization plans.

Proposed law requires the division of administration to commission an independent disparity study no later than July 1, 2027, and every five years thereafter. Requires the division to make recommendations to the legislature based on the study findings. Further requires annual reporting to the legislature by the division.

(Adds R.S. 39:2211-2217)