

2026 Regular Session

HOUSE BILL NO. 856

BY REPRESENTATIVE FONTENOT

TRANSPORTATION DEPT: Provides relative to Indefinite Delivery, Indefinite Quantity Contracting

1 AN ACT

2 To enact R.S. 48:250.5, relative to Indefinite Delivery, Indefinite Quantity contracts; to  
3 authorize the Department of Transportation and Development to use Indefinite  
4 Delivery, Indefinite Quantity (ID/IQ) contracting for certain projects; to provide for  
5 single or multiple competitive low-bid and best value ID/IQ contracts including  
6 multiple work orders and multiple awards; to provide for definitions; to provide for  
7 procedures and requirements for contracting; to provide for severability; to provide  
8 for rulemaking; to provide for an effective date; and to provide for related matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. 48:250.5 is hereby enacted to read as follows:

11 §250.5. Indefinite Delivery, Indefinite Quantity Contracts

12 A. The legislature declares it to be in the public interest to increase  
13 efficiency and improve operational readiness in the construction and maintenance  
14 of state highways and bridges. Notwithstanding any other provision of law to the  
15 contrary the or requirements of this Part, if the secretary determines it is in the best  
16 interest of the taxpayers, the department may procure and award indefinite delivery,  
17 indefinite quantity contracts pursuant to the requirements of this Section for the  
18 maintenance, preservation, reconstruction, repair, and construction projects let by the  
19 department, and related incidental work.

1           B. As used in this Section, the following terms shall have the following  
2           meanings:

3           (1) "Best value" means a selection process in which proposals contain price  
4           and qualitative components and award of the indefinite delivery, indefinite quantity  
5           contract based upon a combination of price and qualitative considerations as  
6           provided in the solicitation documents.

7           (2) "Indefinite delivery, indefinite quantity (ID/IQ)" means a method of  
8           contracting that allows for delivery of an indefinite quantity of services over a fixed  
9           duration under which delivery of specific services is authorized by task orders.

10          (3) "Indefinite delivery, indefinite quantity (ID/IQ) contract" means the  
11          contract awarded to an ID/IQ contractor pursuant to the requirements of this Section.

12          (4) "Low bid" means a selection process in which proposals are evaluated  
13          based on the proposed price from the lowest responsible bidder.

14          (5) "Multiple award" means an ID/IQ procurement where awards of ID/IQ  
15          contracts for the same scope of services are made to multiple ID/IQ contractors  
16          through a single procurement.

17          (6) "Single award" means an ID/IQ procurement where award of the ID/IQ  
18          contract is made to a single ID/IQ contractor.

19          (7) "Work order" or "task order" means a contract document issued for a  
20          definite scope of work pursuant to an ID/IQ contract. A work order provides the  
21          location, time, and scope of work required and authorizes the ID/IQ contractor to  
22          deliver the scope of services described in the task order. It also provides required  
23          pay items, quantities, and unit prices, as applicable.

24          C. For federal aid projects, the department shall comply with all federal  
25          regulations that are conditions to federal assistance, including but not limited to  
26          provisions of 23 CFR Part 635, Subpart F, as amended. In the event of a conflict  
27          between applicable required federal regulations and the provisions of Title 48 and  
28          any state rules or regulations, the federal regulations shall control.

1           D. The legislature authorizes the department to use competitive low bid or  
2           best value, or any other form of ID/IQ, to select a successful bidder or bidders.  
3           Procurements under this Section may include single award or multiple award. The  
4           procurement documents shall establish procedures for determining the successful  
5           bidder or bidders, such as best value evaluation factors where applicable.

6           E. Procurement and award of ID/IQ contracts shall meet the following  
7           requirements:

8           (1) Single award ID/IQ contracts which will be awarded on a low bid basis  
9           shall follow either the advertisement for low bid contracts set forth in R.S. 48:255  
10           or the requirements for advertisements set forth in this Section. If a single-award,  
11           low-bid ID/IQ contract is advertised pursuant to R.S. 48:255, award may also be  
12           made pursuant to R.S. 48:255. If award is made pursuant to 48:255, the department  
13           is not required to follow the provisions of this Section.

14           (2)(a) Prior to the award of any multiple award ID/IQ contract or a single  
15           award ID/IQ contract not advertised pursuant to R.S. 48:255, the department shall  
16           issue a "notice of intent" (NOI) through advertisement on its designated webpage to  
17           request letters of interest (LOI). All notices shall be advertised a minimum of ten  
18           days prior to the deadline for receipt of responses. The NOI shall contain a  
19           description of the ID/IQ services to be procured. The department may readvertise  
20           the NOI using additional media or publications to solicit additional responses if the  
21           number of responses received by the department is deemed inadequate to encourage  
22           competition.

23           (b) Following receipt of letters of interest, the department shall issue a  
24           "request for proposals" (RFP) to contractors that submit an LOI. The RFP shall  
25           include instructions for development and submittal of proposals, a description of how  
26           proposals will be evaluated, and estimated quantities and unit prices, and shall  
27           comply with the requirements of this Section. All procurement documents issued by  
28           the department, including the NOI and RFP, shall indicate whether a single award  
29           or multiple awards will be made.

1           (c) Bid bonds in accordance with R.S. 48:253 shall be specified in the  
2           department's standard specifications or special provisions. The department may  
3           waive the requirement for bid bonds for procurements under this Section.

4           (d) The assistant secretary for project delivery, with the concurrence of the  
5           secretary, shall establish an evaluation committee for evaluation of proposals  
6           received by the department. The evaluation committee may, in its discretion, be  
7           assisted by other department personnel and external advisors in the evaluation of  
8           proposals. The evaluation committee shall evaluate proposals as described in the  
9           RFP and make a recommendation of award to the secretary. The secretary or his  
10          designee shall make the final determination of award.

11          F. The department may include the following items in its procurement  
12          documents or contract:

13           (1) Payment of mobilization or demobilization costs and the method for  
14           determining mobilization and demobilization reimbursement if the department opts  
15           to award those costs separate from an individual work order.

16           (2) The method for determining price escalation or de-escalation.

17           (3) Special provisions specific to ID/IQ contracts.

18           (4) Unit pricing or lists of work items specific to ID/IQ contracts.

19           (5) A minimum quantity or dollar value of supplies or services that the  
20           department is obligated to order and the contractor is obligated to furnish, if the  
21           department opts to set a minimum.

22          G. The term of the initial ID/IQ contract and any optional contract extensions  
23          shall not exceed five years. The duration of the initial term and the terms of  
24          individual contract extensions shall be determined by the department. The ID/IQ  
25          contract shall serve as the underlying agreement that establishes the general terms  
26          and conditions governing the relationship between the department and the selected  
27          bidder. Execution of the ID/IQ contract shall not authorize work or serve as a notice  
28          to proceed.

1           H. Payment bonds under R.S. 48:256.3, performance bonds under R.S.  
2           48:255(D), retainage bonds under R.S. 48:256.1, the minimum required warranty  
3           period under R.S. 48:251, and the general requirements of Part XIII of Chapter 1 of  
4           this Title shall apply to the value and completion of work under an individual work  
5           order rather than the value and completion of all work under the ID/IQ contract  
6           unless otherwise specified in the ID/IQ contract or the individual work order, or  
7           otherwise provided in a special provision of the department. The requirement of  
8           issuance of payment, performance, and retainage bonds shall be at the time of  
9           execution of an individual work order unless otherwise specified by the ID/IQ  
10           contract, the individual work order, or a special provision developed by the  
11           department. Stipulated damages apply to individual work orders and shall be  
12           calculated by the required completion date of an individual work order. Insurance  
13           policies and the extent and type of coverage required shall be as determined by the  
14           department.

15           I. This Section shall not apply to engineering and design service contracts  
16           or other consulting contracts of the department authorized by this Part or federal aid  
17           projects governed by 23 CFR Part 172, except that any ID/IQ contracting under this  
18           Section may be used for projects with elements of engineering or design where the  
19           primary purpose of the contract is for work specified in Subsection A of this Section.

20           J. Except as otherwise provided in this Section, the provisions of this Part  
21           shall apply to ID/IQ contracting. In the event of a conflict, the provisions of this  
22           Section shall prevail and shall supersede any conflicting provision of state law.

23           K. The department may establish guidelines, standard specifications, special  
24           provisions, handbooks, or other required documents for elements of ID/IQ  
25           contracting not explicitly provided for in this Section or otherwise subject to the  
26           Administrative Procedure Act.

27           L. The department may promulgate rules and regulations to implement and  
28           enforce the provisions of this Section in accordance with the provisions of the  
29           Administrative Procedure Act.

1 Section 2. This Act shall become effective upon signature by the governor or, if not  
 2 signed by the governor, upon expiration of the time for bills to become law without signature  
 3 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
 4 vetoed by the governor and subsequently approved by the legislature, this act shall become  
 5 effective on the day following such approval.

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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)]

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HB 856 Original

2026 Regular Session

Fontenot

**Abstract:** Establishes the use of indefinite delivery, indefinite quantity contracts by the Department of Transportation and Development. Provides procedures, definitions, and requirements to govern the contracts while providing flexibility for project-specific needs.

Proposed law declares that improving efficiency in highway and bridge construction and maintenance is in the public interest. Authorizes the Dept. of Transportation and Development (DOTD) to award indefinite delivery, indefinite quantity contracts for maintenance, repair, reconstruction, and construction projects when the secretary determines it is in the best interest of taxpayers.

Proposed law provides for definitions of the following:

- (1) "Best value" means a selection process in which proposals contain price and qualitative components and award of the indefinite delivery, indefinite quantity contract based upon a combination of price and qualitative considerations as provided in the solicitation documents.
- (2) "Indefinite delivery, indefinite quantity (ID/IQ)" means a method of contracting that allows for delivery of an indefinite quantity of services over a fixed duration under which delivery of specific services is authorized by task orders.
- (3) "ID/IQ contract" means the contract awarded to an ID/IQ contractor pursuant to the requirements of this Section.
- (4) "Low bid" means a selection process in which proposals are evaluated based on the proposed price from the lowest responsible bidder.
- (5) "Multiple award" means an ID/IQ procurement where awards of ID/IQ contracts for the same scope of services are made to multiple ID/IQ contractors through a single procurement.
- (6) "Single award" means an ID/IQ procurement where award of the ID/IQ contract is made to a single ID/IQ contractor.
- (7) "Work order" or "task order" means a contract document issued for a definite scope of work pursuant to an ID/IQ contract and provides the location, time, and scope of work required and authorizes the ID/IQ contractor to deliver the scope of services

described in the task order. It also provides required pay items, quantities, and unit prices, as applicable.

Proposed law requires the DOTD to comply with all applicable federal regulations for federal-aid projects and provides that federal regulations control in the event of a conflict with state law or rules.

Proposed law requires that single-award, low-bid ID/IQ contracts follow either advertising procedures in present law or the advertising requirements of proposed law. Authorizes the DOTD to award the contract.

Proposed law requires the DOTD, before awarding multiple-award or single-award ID/IQ contracts not advertised under existing low-bid procedures to issue a “notice of intent” (NOI) on its designated webpage to solicit letters of interest (LOI). Requires notices to be advertised at least 10 days before the response deadline and include a description of the ID/IQ services. Further authorizes the DOTD to readvertise the NOI through additional media or publications if the number of responses is deemed insufficient to encourage competition.

Proposed law requires the DOTD to issue a “request for proposals” (RFP) to contractors that submitted an LOI. Further requires that the RFP include instructions for preparing and submitting proposals, evaluation criteria, estimated quantities and unit prices, and indicate whether a single or multiple awards will be made. Additionally, requires that all procurement documents, including the NOI and RFP, comply with proposed law.

Proposed law requires that bid bonds be specified in the DOTD's standard specifications or special provisions. Authorizes the DOTD to waive the requirement for bid bonds for procurements under proposed law.

Proposed law requires the assistant secretary for project delivery, with the secretary's concurrence, to establish an evaluation committee to review proposals and authorizes assistance to the committee by other DOTD personnel or external advisors. Requires the committee to evaluate proposals as described in the RFP and recommend an award to the secretary, who makes the final determination.

Proposed law authorizes the DOTD to include the following in its procurement documents or contracts:

- (1) Payment of mobilization or demobilization costs and the method for determining reimbursement if such costs are awarded separately from an individual work order.
- (2) The method for determining price escalation or de-escalation.
- (3) Special provisions specific to ID/IQ contracts.
- (4) Unit pricing or lists of work items specific to ID/IQ contracts.
- (5) A minimum quantity or dollar value of supplies or services the department is obligated to order and the contractor is obligated to furnish, if the department chooses to set a minimum.

Proposed law limits the term of the initial ID/IQ contract and any extensions to a maximum of five years and provides that the DOTD determines the duration of the initial term and any individual extensions. Requires that the ID/IQ contract establishes the general terms and conditions governing the relationship between the DOTD and the selected bidder. Prohibits execution of the ID/IQ contract from authorizing work or serving as a notice to proceed.

Proposed law requires that payment bonds, performance bonds, retainage bonds, minimum warranty periods, and general requirements of present law apply to the value and completion of individual work orders rather than the entire ID/IQ contract, unless otherwise specified in the contract, work order, or special provisions. Further requires that payment, performance, and retainage bonds be issued at the time of execution of each individual work order, unless otherwise specified. Provides that stipulated damages apply to individual work orders and are calculated based on each work order's required completion date. Additionally, authorizes the DOTD to determine insurance policies coverage extent, and type.

Proposed law excludes engineering and design service contracts, other authorized consulting contracts, and federal-aid projects, but allows ID/IQ contracts under proposed law to be used for projects with engineering or design elements when the primary purpose is the work specified in proposed law.

Proposed law provides that the provisions of this Part apply to ID/IQ contracting. Proposed law provides that, in the event of a conflict, the provisions proposed law prevail and supersede any conflicting state law.

Proposed law authorizes the DOTD to establish guidelines, standard specifications, special provisions, handbooks, or other requirements documents for elements of ID/IQ contracting not explicitly provided for in proposed law or present law.

Proposed law authorizes the DOTD to promulgate rules and regulations to implement and enforce proposed law.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Adds 48:250.5)