

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 856** HLS 26RS 1054
 Bill Text Version: **REENGROSSED**
 Opp. Chamb. Action: **w/ SEN COMM AMD**
 Proposed Amd.:
 Sub. Bill For.:

Date: May 8, 2026	4:27 PM	Author: FONTENOT
Dept./Agy.: Department of Transportation and Development		Analyst: Kimberly Fruge
Subject: Indefinite Delivery, Indefinite Quantity Contracting		

TRANSPORTATION DEPT RE1 SEE FISC NOTE SG EX Page 1 of 1
 Provides relative to Indefinite Delivery, Indefinite Quantity Contracting

Proposed law provides for indefinite delivery, indefinite quantity (ID/IQ) construction phase contracting for the maintenance, preservation, reconstruction, repair, and construction projects; defines ID/IQ as 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; authorizes the Department of Transportation and Development and the Office of Louisiana Highway Construction to use competitive low bid or best value, or other forms of ID/IQ, to select a successful bidder; provides for procurement requirements; provides that the department and office establish guidelines, standard specifications, special provisions, handbooks, or other required documents for elements of ID/IQ construction phase contracting not explicitly provided for in proposed law.

EXPENDITURES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total						
REVENUES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Proposed law may result in an indeterminable decrease in state expenditures, potentially across all means of finance (reported in this fiscal note as SGF for simplicity), to the extent the Department of Transportation and Development (DOTD) or the Office of Louisiana Highway Construction (OLHC) uses Indefinite Delivery, Indefinite Quantity (ID/IQ) construction phase contracting for the maintenance, preservation, reconstruction, repair, and construction projects. ID/IQ construction phase contracting eliminates the need for repetitive bidding processes, which can result in faster procurement of supplies and services and generally better pricing for materials and construction for DOTD and OLHC. The exact fiscal impact to the department is indeterminable, as it is unknown how often the department or the office will utilize ID/IQ construction phase contracting or the magnitude of the savings, if any, compared to other procurement and contracting methods.

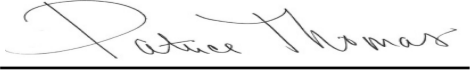
For informational purposes, DOTD and OLHC are funded through a variety of means of finance. While DOTD is largely funded by the Transportation Trust Fund, they receive SGF, Federal Funds, bond proceeds, and other Statutory Dedications for certain projects. OLHC is currently funded through SGF for administrative costs and IAT from DOTD for projects through the Capital Outlay Savings Fund. OLHC anticipates future project funding through the normal capital outlay process, potentially provided by SGF, bond proceeds, Federal Funds, and various Statutory Dedications.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}


Patrice Thomas
Deputy Fiscal Officer