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## DIGEST

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HB 884 Engrossed

2024 Regular Session

Hughes

**Abstract:** Authorizes public postsecondary education management boards to enter into contracts for consulting services and social services on behalf of each institution under its supervision and control. Further authorizes entering into master service contracts for such services without necessity of competitive bidding or competitive negotiation.

Present law (R.S. 39:1551, et seq.) establishes the La. Procurement Code, which generally governs procurement of goods and services by state entities. Establishes regulations for procurement of social services and consulting services pursuant to the La. Procurement Code. Proposed law retains present law.

### SOCIAL SERVICES CONTRACTS

Present law defines "social service" as work rendered by any person, firm, corporation, organization, governmental body, or governmental entity in furtherance of the general welfare of the citizens of Louisiana, including but not limited to rehabilitation and health supports, habilitation and socialization services, and improvement of living conditions. Proposed law retains present law.

Present law (R.S. 39:1619) authorizes social service contracts to be awarded without necessity of competitive bidding or competitive negotiation if the state chief procurement officer determines that any one of certain enumerated conditions is present, including that the services are available only from a sole source provider, local matching funds in excess of 10% of the contract amount are required to be contributed by the contractor, or the total contract amount is less than \$250,000 per 12-month period. Proposed law creates an exception for public postsecondary education management boards, including those participating in the higher education procurement code pursuant to present law. Authorizes such management boards, without involvement of the state chief procurement officer, to enter into social service contracts on behalf of each institution under its supervision and control, including the authority to enter into a master service contract for social services with a vendor for similar or the same services to be provided at multiple institutions within its supervision and control. Further provides that if the management board enters into a master service contract pursuant to the provisions of proposed law, such contract may contain a combined total compensation to the vendor with compensation for each institution serviced by the agreement.

Proposed law provides that a master service contract pursuant to the provisions of proposed law may be entered into without the necessity of competitive bidding or competitive negotiation if the

compensation for each social service contract for each institution does not exceed \$250,000 per 12-month period.

## CONSULTING SERVICES CONTRACTS

Present law defines "consulting service" to mean work, other than professional, personal, or social service, rendered by either individuals or firms who possess specialized knowledge, experience, and expertise to investigate assigned problems or projects and to provide counsel, review, design, development, analysis, or advice in formulating or implementing programs or services, or improvements in programs or services, including but not limited to such areas as management, personnel, finance, accounting, planning, information technology, pharmacy benefit managers, and advertising contracts, except for printing associated therewith. Proposed law retains present law.

Present law (R.S. 39:1621) authorizes contracts for consulting services to be awarded without competitive bidding or competitive negotiation if the total maximum amount of compensation is less than \$75,000 per 12-month period. For consulting services contracts in excess of this amount, present law establishes certain required procurement methods to obtain such services. Proposed law creates an exception for public postsecondary education management boards, including those participating in the higher education procurement code pursuant to present law. Authorizes such management boards to enter into consulting services contracts on behalf of each institution under its supervision and control, including the authority to enter into a master service contract for consulting services with a vendor for similar or the same services to be provided at multiple institutions within its supervision and control. Further provides that if the management board enters into a master service contract pursuant to the provisions of proposed law, such contract may contain a combined total compensation to the vendor with compensation for each institution serviced by the agreement.

Proposed law provides that a master service contract pursuant to the provisions of proposed law may be entered into without the necessity of competitive bidding or competitive negotiation if the compensation for each consulting service contract for each institution does not exceed \$75,000 per 12-month period.

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

(Amends R.S. 39:1619(B)(intro. para.); Adds R.S. 39:1619(E) and 1621(D))

### Summary of Amendments Adopted by House

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

1. Add provisions allowing postsecondary education management boards participating in the higher education procurement code pursuant to present law to utilize proposed law.
2. Make technical changes.

