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)]

Willmott HB No. 573

Abstract: Provides for the Procurement of Domestic Products Act relative to procurement of items manufactured in the United States.

Proposed law provides for the following meanings:

(1) "Manufactured in the United States" means that the components, sub-components, parts and equipment used in manufacturing, final assembly, processing, packaging, testing or any other process that adds value, quality or reliability to assembled articles, materials or supplies, occurs in the United States.

(2) "Procured products" means assembled articles, materials, goods, equipment or supplies purchased by a purchasing agency.

(3) "Purchasing agency" means each agency, department, board and commission of the executive branch of state government, including each university, whether created by statute or by executive order of the governor of Louisiana.

(4) "United States" means the United States and any place subject to the jurisdiction of the United States.

Proposed law provides that when purchasing items, every procurement officer or other person acting as the purchasing agent shall give preference to and purchase manufactured articles, materials and supplies that have been manufactured in the United States. Proposed law further provides that such products shall be purchased unless the purchasing agency determines the procured products are not manufactured in the United States in reasonably available quantities.

Proposed law provides that each contract awarded by a purchasing agency on or after the effective date of proposed law must contain a certification that procured products are manufactured in the United States.

Proposed law provides that the chief procurement officer shall promulgate rules and regulations regarding the pre-qualification of suppliers and contractors under the provision of proposed law.

Proposed law provides that nothing in proposed law is intended to contravene any existing treaty, law, agreement, or regulation of the United States.

Proposed law provides that any preferences provided for in proposed law is in addition to any other preference provided for in state law.

Proposed law provides that if a contractor is awarded a contract under the provisions proposed law and has knowledge that the products supplied were not manufactured in the United States, the following penalties apply:

(1) The purchasing agency may void the contract under which the provisions of proposed law were violated. Any other purchasing agency may also void a contract held with the contractor as of the date the violation is discovered.

(2) The contractor shall not enter into any other state contract after the date the violation is discovered for a period of no less than five years.

(3) The purchasing agency may recover damages in civil action in an amount three times the value of the products purchased.

Effective July 1, 2011.

(Adds R.S. 39:1595.7)