HLS 16RS-908 ENGROSSED

2016 Regular Session

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HOUSE BILL NO. 429

BY REPRESENTATIVE BROADWATER

PUBLIC CONTRACT/BIDS: Provides with respect to the purchasing of materials, equipment, and supplies by public school districts

AN ACT

2 To amend and reenact R.S. 38:2212.1(N)(1) through (4)(introductory paragraph) and to 3 repeal R.S. 38:2212.1(N)(4)(a) through (g), relative to group purchasing of school 4 materials, equipment, and supplies; to authorize public school districts and public 5 schools to enter into agreements with qualified group purchasing organizations for 6 the purchase of materials, equipment, and supplies; to provide relative to definitions; 7 and to provide for related matters. 8 Be it enacted by the Legislature of Louisiana: 9 Section 1. R.S. 38:2212.1(N)(1) through (4)(introductory paragraph) are hereby 10 amended and reenacted to read as follows: 11 §2212.1. Advertisement and letting to lowest responsible bidder; materials and 12 supplies; exemptions 13 14 N.(1) Notwithstanding any provision of this Part to the contrary, any public 15 school district or public school may participate in a school district purchasing 16 cooperative enter into an agreement with one or more qualified group purchasing 17 organizations for the purchase of materials, equipment, and supplies. Any such agreement shall require that the qualified group purchasing organization submit a 18 19 price list for those materials and supplies offered by it and that the prices quoted on the list remain in effect for a stated period of time of not less than three months. Any 20

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such price list shall be considered, for all purposes, to be a valid and binding bid by the qualified group purchasing organization during the effective period of the agreement, and no additional bid by the qualified group purchasing organization is necessary. (2) Public schools and public school districts which are members of a school district purchasing cooperative may purchase materials, equipment, and supplies in accordance with contracts submitted to the school district purchasing cooperative by a vendor. Price lists submitted by a qualified group purchasing organization are not public record and shall not be available for public inspection. The agreement setting forth the existence of the price list and the effective date thereof is, however, a public record, and that portion of the price list setting forth the price of the materials or supplies being purchased shall become a public record at the time of opening of bids for those materials or supplies. (3) As used in this Subsection, "school district qualified purchasing cooperative organization" means an organization, whether for profit or not for profit, of which two or more public school districts are members and which solicits proposals or bids from vendors of services, materials, equipment, or supplies of the type and nature as may be purchased by a public school district or public school. (4) A school district purchasing cooperative shall use the following request for proposals process in the solicitation of vendors for materials, equipment, and supplies: board may purchase equipment from a qualified group purchasing organization if the price for such equipment is less than that for the same or substantially similar equipment on the state bid list. Section 2. R.S. 38:2212.1(N)(4)(a) through (g) are hereby repealed in their entirety.

## **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)]

HB 429 Engrossed

2016 Regular Session

Broadwater

**Abstract:** Provides relative to group purchasing of school materials, equipment, and supplies.

<u>Present law</u> authorizes any public school district or public school to participate in a school district purchasing cooperative for the purchase of materials, equipment, and supplies. Defines such a cooperative as an organization, whether profit or not for profit, of which two or more public school districts are members and which solicits proposals or bids from vendors for services, materials, equipment, or supplies of the type and nature as may be purchased by a public school district or public school.

<u>Present law</u> authorizes cooperative members to purchase materials, equipment, and supplies in accordance with contracts submitted to the cooperative by a vendor. Requires cooperatives to use the following request for proposals process in the solicitation of vendors for materials, equipment, and supplies:

- (1) Public notice shall be given by the placement of an advertisement in the official journal of the state at least once; advertisements may also be placed in other newspapers, trade journals, and websites at the cooperative's discretion.
- (2) The notice shall include the nature of the materials, equipment, or supplies sought and may include information on the estimated quantity sought and the time frame for purchase by cooperative members.
- (3) The advertisement shall appear at least 15 days before the last day that proposals may be submitted.
- (4) The notice shall be provided at least 15 days before the last day for proposals to be accepted, to persons, firms, or companies which have requested to be notified of requests for proposals.
- (5) The notice shall include information with regard to the deadline for submission of proposals and contact information for questions concerning the solicitation.
- (6) The responsible and responsive proposal that provides the lowest price shall be selected.
- (7) The selected vendor shall agree to make the subject materials, equipment, or supplies available for the price set forth in the proposal to any member of the school district purchasing cooperative.

<u>Proposed law</u> repeals <u>present law</u> and instead authorizes purchasing through a group purchasing organization. Requires that any agreement with such an organization provide that the organization submit a price list for materials and supplies offered by it and that the prices quoted on the list remain in effect for a stated period of time, not less than three months. Also provides that any such price list shall be considered a valid and binding bid by the organization.

<u>Proposed law</u> provides that price lists submitted by a qualified group purchasing organization shall not be a public record and shall not be available for public inspection.

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Also provides that the agreement setting forth the existence of the price list and the effective date thereof is a public record and that the portion of the price list setting forth the materials or supplies being purchased shall become a public record at the time of opening of bids for those materials or supplies.

<u>Proposed law</u> authorizes a school board to purchase equipment from a qualified group purchasing organization if the price for such equipment is less than that for the same or substantially similar equipment on the state bid list.

(Amends R.S. 38:2212.1(N)(1)-(4)(intro. para.); Repeals R.S. 38:2212.1(N)(4)(a)-(g))

## Summary of Amendments Adopted by House

The Committee Amendments Proposed by <u>House Committee on Education</u> to the original bill:

1. Add provision that authorizes a school board to purchase equipment from a qualified group purchasing organization if the price for such equipment is less than that for the same or substantially similar equipment on the state bid list.