

Regular Session, 2014

HOUSE BILL NO. 846

BY REPRESENTATIVE HENRY

PUBLIC CONTRACTS: Requires contracts over a certain amount and extensions of such contracts to be approved by the Joint Legislative Committee on the Budget

1 AN ACT

2 To enact R.S. 39:1498.3 and 1596.1, relative to public contracts; to require prior approval
3 of certain contracts; to require prior approval of extensions of certain contracts; and
4 to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 39:1498.3 and 1596.1 are hereby enacted to read as follows:

7 §1498.3. Large professional, personal, consulting, or social services contracts; prior
8 approval required

9 A. No professional, personal, consulting, or social service contract with a
10 total maximum compensation of twenty-five million dollars or more shall be entered
11 into on or after August 1, 2014, unless it has been reviewed and approved by the
12 Joint Legislative Committee on the Budget.

13 B. No extension of a professional, personal, consulting, or social service
14 contract with a total maximum compensation of twenty-five million dollars or more
15 shall be entered into on or after August 1, 2014, unless such extension has been
16 reviewed and approved by the Joint Legislative Committee on the Budget.

17 C. No professional, personal, consulting, or social service contract with a
18 total maximum compensation of twenty-five million dollars or more shall be valid
19 nor shall the state be bound by the contract unless all requirements of this Section
20 have been met.

21 * * *

1 §1596.1. Large procurement contracts; prior authorization required

2 A. No contract with a total maximum compensation of twenty-five million
3 dollars or more shall be entered into on or after August 1, 2014, unless it has been
4 reviewed and approved by the Joint Legislative Committee on the Budget.

5 B. No extension of a contract with a total maximum compensation of twenty-
6 five million dollars or more shall be entered into on or after August 1, 2014, unless
7 such extension has been reviewed and approved by the Joint Legislative Committee
8 on the Budget.

9 C. No contract with a total maximum compensation of twenty-five million
10 dollars or more shall be valid nor shall the state be bound by the contract unless all
11 requirements of this Section have been met.

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)]

Henry

HB No. 846

Abstract: Requires prior approval of the Joint Legislative Committee on the Budget (JLCB) of certain contracts in excess of \$25 million and of extensions to such contracts.

Proposed law prohibits entering into professional, personal, consulting, or social service contracts of \$25 million or more on or after August 1, 2014, unless the contract has been reviewed and approved by the JLCB. Further prohibits entering into an extension of a professional, personal, consulting, or social service contract of \$25 million or more on or after August 1, 2014, unless the extension has been reviewed and approved by the JLCB.

Proposed law prohibits entering into a contract under the La. Procurement Code of \$25 million or more on or after August 1, 2014, unless the contract has been reviewed and approved by the JLCB. Further prohibits entering into an extension of a contract under the La. Procurement Code of \$25 million or more on or After August 1, 2014, unless the extension has been reviewed and approved by the JLCB.

Proposed law invalidates any contract over \$25 million unless the requirements of proposed law are met.

(Adds R.S. 39:1498.3 and 1596.1)