

FINAL BILL REPORT

HB 1439

PARTIAL VETO

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Synopsis as Enacted

Brief Description: Modifying competitive bidding provisions.

Sponsors: By Representatives Green, Nixon, Haigh, Upthegrove, Chase and Dunn; by request of Department of General Administration.

House Committee on State Government Operations & Accountability
Senate Committee on Government Operations & Elections

Background:

The state purchasing and material control director of the Department of General Administration (GA) is responsible for, among other things, the purchase of all materials, supplies, services, and equipment needed for the operation of all state institutions. With some exceptions, a formal sealed bid procedure is required for all purchases and contracts for purchases and sales above a certain dollar amount.

Public works bids are addressed throughout statute and described individually for different public bodies. Under most circumstances, contractors are selected through competitive bidding. The contract is awarded to the lowest responsible bidder, although the public body selecting the contractor is permitted to reject any or all bids.

Summary:

The state law governing the state's purchase of goods and services is amended to allow for electronic or web-based bid procedures for all purchases and contracts for purchases executed by the GA. Under competitive bidding procedures, the bid must be given in a written or electronic format. Bid prices may not be disclosed during an electronic or web-based bidding process.

Under certain competitive bidding processes the agency soliciting bids may not reject all bids after bids are opened unless there is a compelling reason. This applies to: (1) public works projects undertaken by any state agency, cities with a population greater than 100,000, or counties with a population greater than 500,000; (2) any agency or institution of state government for personal services contracts; and (3) the Information Services Board when purchasing, leasing, renting, or acquiring equipment, proprietary software, or other purchased services.

The circumstances in which a solicitation may be canceled and all bids rejected before the award, but after bid opening, are as follows:

- unavailable, inadequate, ambiguous specifications, terms, conditions or requirements were cited;
- specifications, terms, conditions, or requirements have been revised;
- services being contracted for are no longer required;
- solicitation did not provide for the consideration of all cost factors;
- bids received indicate that needs can be met by a less expensive article or process;
- all otherwise acceptable bids received are at unreasonable prices or only one bid is received or the public entity cannot determine the reasonableness of the bid;
- no responsive bid was received from a responsible bidder; or
- the bid process was not fair or equitable.

Votes on Final Passage:

House	98	0	
House	96	0	
Senate	48	0	(Senate amended)
House	98	0	(House concurred)

Effective: June 7, 2006

Partial Veto Summary: Provisions relating to the rejection of bids without a compelling reason for (1) public works projects undertaken by any state agency, city with a population greater than 100,000, or county with a population greater than 500,000; (2) any agency or institution of state government for personal services contracts; and (3) the Information Services Board when purchasing, leasing, renting, or acquiring equipment, proprietary software, or other purchased services, were vetoed.