SB 1565   STAFF MEASURE SUMMARY

Senate Committee On General Government and Accountability

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Sub-Referral To:	Joint Committee On Ways and Means
Meeting Dates:	2/6, 2/8

WHAT THE MEASURE DOES:

Directs the Departments of Justice, Transportation, and Administrative Services (DAS) to develop electronic procurement system rules that, at a minimum, designate a particular system, specify when state agencies must use it, and address access. Requires a state contracting agency, and allows a contracting entity that is not a state agency, to conduct procurement pursuant to such rules. Requires state contracting agencies to weight proposed contract prices at, at least 30 percent of the total weight given to all factors in final evaluation of proposals. Provides for waiver of weighting requirement if determined to be in the agency's best interest. Requires written notice and explanation of such waiver be provided to DAS. Directs DAS to establish a pilot project to evaluate the "reverse auction method" as defined, specifies minimum parameters of such project, and requires a written report to the Governor and Legislature by December 31, 2019. Allows rulemaking and other activity in advance of operative date of January 1, 2019. Sunsets pilot project January 2, 2020. Effective 91st day after *sine die*.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

[*-1 amendment*] Modifies DAS' reporting to require regular reporting on implementation of e-procurement system to Governor and Joint IT committee with final report by December 31, 2019. Makes use of e-procurement system a requirement for state contracting agencies and permissive for other contracting entities, by January 2, 2021. Clarifies "reverse auction method." Includes 30 percent weight requirement for contract price to be part of pilot program along with use of reverse auction method, operative January 1, 2019, and repealed January 2, 2020.

[*-2 amendment*] Exempts the Treasurer and Secretary of State from reporting certain records and information to DAS.

[*-3 amendment*] Combines the -1 and -2.

BACKGROUND: