

HB 2094 A -A2 STAFF MEASURE SUMMARY

Senate Committee On Business and General Government

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Meeting Dates: 4/16, 4/25

WHAT THE MEASURE DOES:

Authorizes contracting agency, when evaluating bid or proposal subject to Public Contracting Code, to consider whether bidder or proposer owes liquidated or delinquent debt to state. Takes effect 91 days after sine die. Becomes operative on January 1, 2020.

ISSUES DISCUSSED:

- Current Executive Order direction for state agencies to consider liquidated and delinquent debt owed to the state when evaluating bids
- Relative merits of considering a bidder's ability to perform
- Need for amendments to require agencies to consider only debt which is both liquidated and delinquent

EFFECT OF AMENDMENT:

-A2 Clarifies that measure applies to liquidated and delinquent debt.

BACKGROUND:

In the course of awarding public contracts, contracting agencies are required by the Public Contracting Code to make a determination of whether a bidder or proposer is "responsible." This determination requires the bidder or proposer to demonstrate a number of factors to the contracting agency, including that the bidder or proposer has the appropriate resources and skills to complete the contract, has a satisfactory record of integrity, and has complied with the tax laws in this state. The results of this determination may dictate whether a bidder or proposer is awarded a contract.

House Bill 2094A authorizes contracting agencies to consider at any time before executing a public contractor with the bidder whether the bidder or proposer owes a liquidated or delinquent debt to the state.