

HB 214 -- COMPETITIVE BIDDING AND AUCTIONS

SPONSOR: Trent

COMMITTEE ACTION: Voted "Do Pass" by the Standing Committee on Downsizing State Government by a vote of 6 to 1 with 1 present. Voted "Do Pass" by the Standing Committee on Rules- Legislative Oversight by a vote of 10 to 0.

This bill requires all state purchases in excess of \$10,000 to be based on competitive bids with specified exceptions. Currently, all state purchases in excess of \$3,000 must be based on competitive bids with specified exceptions.

The bill requires the Commissioner of the Office of Administration to advertise and solicit bids on any state purchase with an estimated expenditure of \$100,000 or more. Currently, the commissioner must advertise and solicit bids on any state purchase on any purchase with an estimated expenditure of \$25,000 or more.

The commissioner is authorized to hold reverse auctions for the purchase of merchandise, supplies, raw materials, or finished goods if price is the primary factor evaluating bids.

Currently, when the commissioner determines that the use of competitive bidding is either not practicable or not advantageous to the state, he or she is not required to advertise or solicit a proposal on any purchase where the estimated expenditure is \$25,000 or more. The bill changes this to an estimated expenditure of \$100,000 or more.

A request for proposal can include the manner for determining which offerors are eligible for negotiations, including shortlisting.

Currently, the commissioner may waive the requirement of competitive bids or proposals for supplies when he or she has determined in writing that there is only a single feasible source for the supplies where the estimated expenditure is more than \$5,000. The bill changes this to where the estimated expenditure is more than \$10,000. Currently, the commissioner does not have to advertise or solicit proposals on any purchase of \$25,000 or more for supplies where the commissioner has determined in writing that there is only a single feasible source. The bill changes this to any purchase of \$100,000 or more.

The bill authorizes departments to purchase products and services related to information technology under certain conditions, including when the purchase does not exceed \$150,000 and the department complies with the informal methods of procurement for

expenditures of less than \$100,000. Currently, the purchase cannot exceed \$75,000 and the maximum threshold for informal methods of procurement is \$25,000.

This bill is similar to HB 566 (2017).

PROPONENTS: Supporters say that this bill would help create a more efficient government and it is a great option for the Commissioner of Administration to run a reverse auction when cost is a driving factor.

Testifying for the bill were Representative Trent; Proactis; and the Missouri Department of Administration.

OPPONENTS: There was no opposition voiced to the committee.