

SS HCS HB 1088 -- OFFICE OF ADMINISTRATION

This bill modifies laws relating to the Office of Administration and state agencies. In its main provisions, the bill:

(1) Requires the Commissioner of Administration to preserve the original, or the exact digital copy of the original, of all accounts, vouchers, and documents approved or to be approved by the Commissioner (Section 33.150, RSMo);

(2) 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 Office of Administration will 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 (Sections 34.040, 34.042, and 34.044);

(3) 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 (Section 34.047);

(4) Allows fees to be charged regarding state agency use of

electronic payment systems if there is a positive fiscal impact to the state as specified in the bill (Section 37.007);

(5) Creates the "Million Dollar Boondoggle Act of 2019". The Office of Administration is required to submit a report on specified projects that are one year behind schedule or \$1 million or more over original cost estimates to the General Assembly. State agencies and divisions must submit information to the Office of Administration as specified in the bill. Criteria for the report are also specified in the bill. The report shall be posted to the Office of Administration website (Section 37.960);

(6) Specifies certain criteria for higher education institution concession agreements with developers. Such institutions may enter a long-term concession agreement with private developers to construct, maintain, and operate projects in exchange for annual payments that are subject to abatement if nonperformance occurs (Section 174.345); and

(7) Modifies several provisions by removing the requirements that the Secretary of State publish the Missouri Register or the Code of State Regulations in written format. This bill specifies that at the time of, or prior to the adoption of a rule, an agency must file with the Secretary of State and the Joint Committee on Administrative Rules the fiscal note for the rule. Fiscal notes for emergency rules will only reflect the cost of such rules during the time of their implementation. As soon as practicable after a filing by an agency of materials under these provisions, the Secretary of State must publish the materials in the Missouri Register and, within three business days of the filing, email the materials to persons who have registered to be notified of the agency's actions through the Secretary of State's administrative rules notification system and publish the materials on the official website of the Secretary of State (Sections 536.015, 536.025, 536.031, 536.033, 536.200, and 536.205).