

SECOND REGULAR SESSION

# HOUSE BILL NO. 1827

102ND GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE BUCHHEIT-COURTWAY.

4541H.011

DANA RADEMAN MILLER, Chief Clerk

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## AN ACT

To repeal sections 34.010 and 34.070, RSMo, and to enact in lieu thereof two new sections relating to state contracts.

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*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Sections 34.010 and 34.070, RSMo, are repealed and two new sections  
2 enacted in lieu thereof, to be known as sections 34.010 and 34.070, to read as follows:

34.010. 1. The term "department" as used in this chapter shall be deemed to mean  
2 department, office, board, commission, bureau, institution, or any other agency of the state,  
3 except the legislative and judicial departments. The term department shall not include public  
4 institutions of higher education.

5 2. The term "lowest and best" in determining the lowest and best award, cost, and  
6 other factors are to be considered in the evaluation process. Factors may include, but are not  
7 limited to, value, performance, and quality of a product.

8 **3. The term "Missouri-based business" as used in this chapter refers to a**  
9 **corporation, limited liability company, limited partnership, or limited liability**  
10 **partnership formed or domiciled in Missouri, whose principal place of business shall**  
11 **be a physical location within the state of Missouri.**

12 [~~3~~] 4. The term "Missouri product" refers to goods or commodities which are  
13 manufactured, mined, produced, or grown by companies in Missouri, or services provided by  
14 such companies.

15 [~~4~~] 5. The term "negotiation" as used in this chapter means the process of selecting a  
16 contractor by the competitive methods described in this chapter, whereby the commissioner

EXPLANATION — Matter enclosed in bold-faced brackets [~~thus~~] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

17 of administration can establish any and all terms and conditions of a procurement contract by  
18 discussion with one or more prospective contractors.

19 ~~[5-]~~ 6. The term "purchase" as used in this chapter shall include the rental or leasing  
20 of any equipment, articles or things.

21 ~~[6-]~~ 7. The term "supplies" used in this chapter shall be deemed to mean supplies,  
22 materials, equipment, contractual services and any and all articles or things, except for utility  
23 services regulated under chapter 393 or as in this chapter otherwise provided.

24 ~~[7-]~~ 8. The term "value" includes but is not limited to price, performance, and quality.  
25 In assessing value, the state purchaser may consider the economic impact to the state of  
26 Missouri for Missouri products versus the economic impact of products generated from out of  
27 state. This economic impact may include the revenues returned to the state through tax  
28 revenue obligations.

34.070. In making purchases, the commissioner of administration or any agent of the  
2 state with purchasing power shall give preference to all commodities and tangible personal  
3 property manufactured, mined, produced, processed, or grown within the state of Missouri, to  
4 all new generation processing entities defined in section 348.432, except new generation  
5 processing entities that own or operate a renewable fuel production facility or that produce  
6 renewable fuel, and to all **Missouri-based businesses or** firms, corporations or individuals  
7 doing business as Missouri firms, corporations or individuals, when quality is equal or better  
8 and delivered price is the same or less. The commissioner of administration or any agent of  
9 the state with purchasing power ~~[may]~~ **shall** also give such preference whenever competing  
10 bids, in their entirety, are comparable. For purposes of this section, "commodities" shall  
11 include forest products and bricks or any agricultural product that has been processed or  
12 otherwise had value added to it in this state. **If the commissioner of administration or any**  
13 **agent of the state with purchasing power exercises an early termination of any contract**  
14 **for any reason other than breach of contract by the contracted vendor, the state shall be**  
15 **responsible for compensating any and all remaining costs or terms of the contract within**  
16 **sixty days of the termination date.**

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