IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 51

BY COMMERCE AND HUMAN RESOURCES COMMITTEE

AN ACT

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2	RELATING TO PROFESSIONAL SERVICE CONTRACTS; AMENDING SECTION 67-2320, IDAHC
3	CODE, TO REVISE PROVISIONS REGARDING PROFESSIONAL SERVICE FEES FOR CER-
4	TAIN CONTRACTS; AND DECLARING AN EMERGENCY AND PROVIDING AN EFFECTIVE
5	DATE.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 67-2320, Idaho Code, be, and the same is hereby amended to read as follows:

- 67-2320. PROFESSIONAL SERVICE CONTRACTS WITH DESIGN PROFESSIONALS, CONSTRUCTION MANAGERS, AND PROFESSIONAL LAND SURVEYORS. (1) Notwithstanding any other provision of law to the contrary, it shall be the policy of this state that all public agencies and political subdivisions of the state of Idaho and their agents shall make selections for professional engineering, architectural, landscape architecture, construction management, and professional land surveying services, including services by persons licensed pursuant to chapters 3, 12, 30, and 45, title 54, Idaho Code, on the basis of qualifications and demonstrated competence and shall negotiate contracts or agreements for such services.
- (2) In carrying out this policy, public agencies and political subdivisions of the state shall use the following minimum guidelines in securing contracts for engineering, architectural, landscape architecture, construction management, and land surveying services on projects for which the professional service fee is anticipated to exceed the total sum of $\frac{\text{fifty}}{\text{thousand dollars ($50,000)}}$ one hundred thousand dollars (\$100,000), excluding professional services contracts previously awarded for an associated or phased project, and for which the expenditure is otherwise exempt from the bidding process provided by law. To implement this policy, the public agency and political subdivisions shall:
 - (a) Provide a general description of the services being solicited and encourage persons or firms engaged in the services being solicited to submit statements of qualifications and past performance data;
 - (b) Establish and make available to the public a request for qualifications that includes the criteria and the procedures to be used for measurable scoring, ranking, and selection of qualified persons or firms to perform such services;
 - (c) After receiving responses to a request for qualifications, score and rank the responding persons or firms based on their qualifications and demonstrated competence pursuant to the public agency's or political subdivision's established criteria and procedures. The list of ranked respondents, including the scoring used to develop the ranking, shall be made available to the public. Some examples of selection criteria for consideration may include but are not limited

to: a description of the firm, including location and longevity; past performance; project manager and key staff experience, education, and training; experience with similar projects; specific approach to project or assignment; proposed schedule, if applicable; and quality control procedures;

- (d) Select for negotiation the persons or firms whom the public agency or political subdivision determines to be the highest-ranked (best qualified);
- (e) Negotiate with the highest-ranked person or firm for a contract or an agreement to perform such services at a price determined by the public agency or political subdivision to be reasonable and fair to the public after considering the estimated value, scope, complexity, schedule, and nature of the services required;
- (f) When unable to negotiate a satisfactory contract or agreement with the highest-ranked person or firm, formally terminate negotiations and undertake negotiations with the next highest-ranked person or firm, following the procedure prescribed in paragraph (e) of this subsection;
- (g) When unable to negotiate a satisfactory contract or agreement with any of the selected persons or firms, recommence negotiations as described in paragraphs (e) and (f) of this subsection until a contract or agreement is reached or cancel the procurement;
- (h) When a public agency or political subdivision solicits a request for qualifications for engineering, architectural, landscape architecture, construction management, or land surveying services for which the professional service fee is anticipated to exceed the total sum of fifty thousand dollars (\$50,000) one hundred thousand dollars (\$100,000), it shall publish public notice in the same manner as required for procurement of public works construction projects under section 67-2805(2), Idaho Code;
- (i) In fulfilling the requirements of paragraphs (a) through (h) of this subsection, a public agency or political subdivision may establish and select from a list of two (2) or more persons or firms selected and preapproved for consideration by the public agency or political subdivision. In establishing a preapproved list, a public agency or political subdivision shall publish notice as set forth in paragraph (h) of this subsection. When selecting from such list, no notice shall be required; and
- (j) Any list established under paragraph (i) of this subsection shall remain valid for a maximum of five (5) years and may be canceled by the public agency or political subdivision prior to the list's expiration if the public agency or political subdivision determines that cancellation would be in the public's interest.
- (3) In securing contracts for engineering, architectural, landscape architecture, construction management, or land surveying services on projects for which the professional service fee is anticipated to be less than the total sum of fifty thousand dollars (\$50,000) one hundred thousand dollars (\$100,000), the public agency or political subdivision may use the guidelines set forth in subsection (2) of this section or establish its own guidelines for selection based on demonstrated competence and qualifications to perform the type of services required, followed by negotiation of

the fee at a price determined by the public agency or political subdivision to be fair and reasonable after considering the estimated value, scope, complexity, schedule, and nature of services required.

- (4) When a public agency or political subdivision of the state has previously awarded a professional services contract to a person or firm for an associated or phased project, the public agency or political subdivision may, at its discretion and in accordance with all provisions of section 59-1026, Idaho Code, negotiate an extended or new professional services contract with that person or firm.
 - (5) For the purposes of this section:

- (a) "Public agency" means the state of Idaho and any departments, commissions, boards, authorities, bureaus, universities, colleges, educational institutions, or other state agencies that have been created by or pursuant to statute other than courts and their agencies and divisions, and the judicial council and the district magistrates commission; and
- (b) "Political subdivision" means any entity defined as a political subdivision under section 6-902, Idaho Code, or any other district or municipality of any nature whatsoever having the power to levy taxes or assessment, organized under any general or special law of this state. The enumeration of certain districts in this section shall not be construed to exclude other districts or municipalities from this definition.

SECTION 2. An emergency existing therefor, which emergency is hereby declared to exist, this act shall be in full force and effect on and after July $1,\ 2025$.