Sixtieth Legislature

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## IN THE HOUSE OF REPRESENTATIVES

## HOUSE BILL NO. 688

## BY WAYS AND MEANS COMMITTEE

## AN ACT

- 2 RELATING TO THE DIVISION OF PURCHASING; AMENDING SECTION 67-5716, IDAHO
  3 CODE, TO DEFINE A TERM AND TO PROVIDE AN EXCLUSION FROM A DEFINITION;
  4 AMENDING CHAPTER 57, TITLE 67, IDAHO CODE, BY THE ADDITION OF A NEW
  5 SECTION 67-5728, IDAHO CODE, TO PROVIDE REQUIREMENTS RELATING TO
  6 PROCURING AND PURCHASING PROPERTY BY CERTAIN STATE INSTITUTIONS OF
  7 HIGHER EDUCATION; AND PROVIDING A SUNSET DATE.
- 8 Be It Enacted by the Legislature of the State of Idaho:

9 SECTION 1. That Section 67-5716, Idaho Code, be, and the same is hereby 10 amended to read as follows:

11 67-5716. DEFINITIONS OF TERMS. (1) Acquisition. The process of 12 procuring or purchasing property by the state of Idaho.

(2) Procurement. Obtaining property for state use by lease, rent, orany manner other than by purchase or gift.

(3) Property. Goods, services, parts, supplies and equipment, both
 tangible and intangible, including, but nonexclusively, designs, plans,
 programs, systems, techniques and any rights and interests in such property.
 (4) Goods. Items of personal property, not qualifying as equipment,
 parts or supplies.

(5) Services. Personal services, in excess of personnel regularly employed for whatever duration and/or covered by personnel system standards,
 for which bidding is not prohibited or made impractical by statute, rules or
 generally accepted ethical practices.

(6) Parts. Items of personal property acquired for repair or replace-ment of unserviceable existing items.

(7) Supplies. Items of personal property having an expendable quality
 or during their normal use are consumed and which require or suggest acquisi tion in bulk.

(8) Equipment. Items of personal property which have a normal usefullife expectancy of two (2) or more years.

(9) Component. An item of property normally assembled with other items
 into a unified productive whole at the site of use, which items belong to
 functional classes that may be interchangeable units of similar function but
 differing operational or productive capabilities.

(10) Vendor. A person or entity capable of supplying property to thestate.

37 (11) Bidder. A vendor who has submitted a bid on a specific item or items38 of property to be acquired by the state.

(12) Lowest responsible bidder. The responsible bidder whose bid reflects the lowest acquisition price to be paid by the state; except that when
specifications are valued or comparative performance examinations are conducted, the results of such examinations and the relative score of valued

specifications will be weighed, as set out in the specifications, in determining the lowest acquisition price.

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(13) Contractor. A bidder who has been awarded an acquisition contract.

(14) Agency. All officers, departments, divisions, bureaus, boards, 4 commissions and institutions of the state, including the public utilities 5 commission, but excluding other legislative and judicial branches of gov-6 ernment, and excluding the governor, the lieutenant governor, the secretary 7 of state, the state controller, the state treasurer, the attorney general, 8 and the superintendent of public instruction, and, as provided in section 9 10 67-5728, Idaho Code, excluding Lewis-Clark State College, Idaho State University, Boise State University and Eastern Idaho Technical College. 11

(15) Bid. A written offer to perform a contract to purchase or supply
 property or services in response to an invitation for bid or request for pro posal.

(16) Recyclable. Materials that still have useful physical, chemical
or biological properties after serving their original purposes and can,
therefore, be reasonably reused or recycled for the same or other purposes.

18 (17) Recycled-content product. A product containing postconsumer19 waste and/or secondary waste as defined in this section.

(18) Postconsumer waste. A finished material which would normally be
 disposed of as a solid waste, having completed its life cycle as a consumer
 item.

(19) Secondary waste. Fragments of products or finished products of a
 manufacturing process, which has converted a virgin resource into a commod ity of real economic value and may include a postconsumer waste.

(20) Open contract. A contract awarded by the state of Idaho through the
 division of purchasing to one (1) or more vendors who have agreed to allow
 all agencies to procure or purchase specified property under the terms and
 conditions set forth in the contract.

30 SECTION 2. That Chapter 57, Title 67, Idaho Code, be, and the same is 31 hereby amended by the addition thereto of a <u>NEW SECTION</u>, to be known and des-32 ignated as Section 67-5728, Idaho Code, and to read as follows:

67-5728. PROCURING AND PURCHASING BY STATE INSTITUTION OF HIGHER ED UCATION. (1) For the purposes of this section, "state institution of higher
 education" means Lewis-Clark State College, Idaho State University, Boise
 State University and Eastern Idaho Technical College.

(2) Any state institution of higher education may establish policies 37 and procedures for procuring and purchasing property that shall be sub-38 stantially consistent with the requirements for procuring and purchasing 39 property as set forth in this chapter and that shall be approved by the state 40 board of education. When the state board of education has approved such 41 policies and procedures for a state institution of higher education, such 42 institution shall not be subject to the provisions of this chapter, except as 43 44 provided in subsection (3) of this section.

(3) When the state enters into an open contract, no state institution
of higher education that has established policies and procedures pursuant to
subsection (2) of this section shall fail to utilize such contract without
justifiable cause for such action, pursuant to the provisions of subsection
(4) of section 67-5726, Idaho Code.

SECTION 3. The provisions of this act shall be null, void and of no force
and effect on and after July 1, 2013.