IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 660

BY STATE AFFAIRS COMMITTEE

AN ACT

- RELATING TO STATE GOVERNMENT; AMENDING CHAPTER 57, TITLE 67, IDAHO CODE, 2 BY THE ADDITION OF A NEW SECTION 67-5779, IDAHO CODE, TO PROVIDE THAT 3 NOTICE OF INTENT PRIOR TO AN AGREEMENT TAKING EFFECT SHALL BE REQUIRED 4 5 IN CERTAIN INSTANCES, TO PROVIDE EXEMPTIONS, TO DEFINE A TERM, TO PRO-VIDE FOR NULLIFICATION, AND TO PROVIDE FOR A FORM OF A NOTICE OF INTENT; 6 AMENDING SECTION 67-9203, IDAHO CODE, TO REVISE A DEFINITION; AMEND-7 ING CHAPTER 92, TITLE 67, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 8 67-9234, IDAHO CODE, TO PROVIDE THAT NOTICE OF INTENT PRIOR TO AN AGREE-9 10 MENT TAKING EFFECT SHALL BE REQUIRED IN CERTAIN INSTANCES, TO PROVIDE EXEMPTIONS, TO DEFINE A TERM, TO PROVIDE FOR NULLIFICATION, AND TO PRO-11 VIDE FOR A FORM OF A NOTICE OF INTENT; AMENDING SECTION 67-9234, IDAHO 12 CODE, TO REDESIGNATE THE SECTION; AND DECLARING AN EMERGENCY AND PRO-13 VIDING AN EFFECTIVE DATE. 14
- 15 Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Chapter 57, Title 67, Idaho Code, be, and the same is hereby amended by the addition thereto of a <u>NEW SECTION</u>, to be known and designated as Section 67-5779, Idaho Code, and to read as follows:

67-5779. NOTICE OF INTENT PRIOR TO AGREEMENT TAKING EFFECT. (1) Any 19 agency, officer, department, division, bureau, board, commission, and in-20 stitution of the state, including the public utilities commission and any 21 22 state institution of higher education, that plans to enter into a contract or 23 agreement with another person or entity in which goods, services, real estate, or other property reasonably valued at more than twenty-five million 24 dollars (\$25,000,000) are acquired, sold, or included in a part of the agree-25 ment shall provide a notice of intent in a public disclosure no less than 26 thirty (30) days prior to such agreement being approved. Notice of intent 27 shall be given in a completed form, as provided in subsection (5) of this sec-28 29 tion.

(2) Transactions that go through a solicitation process as described in
chapter 92, title 67, or chapter 9, title 40, Idaho Code; any transactions
that have been specifically authorized and appropriated or approved by the
legislature; any transactions made during an emergency, as defined in section 46-1002, Idaho Code; any transactions made prior to July 1, 2024; and
any legal settlements shall be exempt from the provisions of this section.

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(3) As used in this section, "notice" means:

(a) An electronic message of the notice of intent form sent to all leg islators and elected state officials using each of their official email
 addresses;

40 (b) A notice of intent form sent by email and by United States mail to
41 the news department of any television station located in any county af42 fected by the proposed decision;

(c) A notice of intent form sent by email to the news department of any 1 2 newspaper located in Ada county and any county affected by the proposed decision; 3

(d) A notice of intent form published on the website of the state entity 4 described in subsection (1) of this section and on a social media blog or 5 page, if any, managed by such institution with an opportunity to allow 6 7 for public comment on the agreement; and

(e) A notice of intent form published one (1) time in one (1) newspaper 8 of general circulation in a county where the decision is to take place.

10 (4) Any contract or agreement described in subsection (1) of this sec-11 tion that is not exempt pursuant to subsection (2) of this section that fails to follow the notice process required by this section shall be null, void, 12 and of no force and effect. 13

(5) A notice of intent form as required by this section shall be as fol-14 lows: 15

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NOTICE OF INTENT TO ENTER INTO AN AGREEMENT AFFECTING MORE THAN \$25 MILLION

18 This is notice that (name of board, agency, commission, constitutional officer, or other State of Idaho entity) intends to en-19 ter into an agreement to obligate by contract, agreement, or other-20 wise the State of Idaho in the amount of more than \$25 million or in-21 tends to enter into an agreement concerning a transaction in which 22 goods, services, real estate, or other property reasonably valued 23 24 at more than \$25 million is acquired, sold, or included in a part of the agreement. 25

Specifically, you are notified that a decision may be made on or 26 after 30 days from the date this notice is sent, and will concern 27 (description of the property involved), at (location includ-28 ing an address of the person or entity that is a party to the trans-29 action or obligation), and _____(the detailed purpose of the trans-30 31 action).

This transaction is not being made pursuant to the request for 32 proposals process in Idaho Code, and the transaction has not been 33 specifically approved by the Idaho Legislature. 34

- For further information please contact: (name, title, email ad-35 dress, office address, and phone number) 36
- Dated 37

(Name and Title) 38 Ву

SECTION 2. That Section 67-9203, Idaho Code, be, and the same is hereby 39 amended to read as follows: 40

67-9203. DEFINITIONS. As used in this chapter: 41

42 (1) "Acquisition" means the process of procuring property.

"Administrator" means the administrator of the division of pur-1 (2)chasing as created by section 67-9204, Idaho Code. 2 "Agency" means all officers, departments, divisions, bureaus, (3) 3 boards, commissions and institutions of the state, including the public 4 5 utilities commission, but excluding: (a) The legislative and judicial branches of government; 6 7 (b) The governor, lieutenant governor, secretary of state, state controller, state treasurer, attorney general and superintendent of pub-8 lic instruction; and 9 10 (c) A Except as provided in section 67-9234, Idaho Code, a state institution of higher education that complies with the provisions of section 11 67-9225, Idaho Code. 12 (4) "Bid" means a written offer to perform a contract to sell or other-13 wise supply property in response to a solicitation. 14 (5) "Bidder" means a vendor who has submitted a bid on property to be 15 16 acquired by the state. (6) "Contract" means an agreement for the acquisition of property, in-17 cluding a purchase order. 18 (7) "Contractor" means a vendor who has been awarded a contract. 19 (8) "Director" means the director of the department of administration 20 21 as created by section 67-5701, Idaho Code. (9) "Environmental, social, and governance standards" means procure-22 ment standards that screen or score bids, in whole or in part, on subjective 23 ethical or sustainability criteria unrelated to the specifications in a so-24 licitation or the qualifications of a bidder. 25 (10) "Lowest responsible bidder" means the responsible bidder whose bid 26 reflects the lowest acquisition price to be paid by the state, except that 27 when specifications are valued or comparative performance evaluations are 28 conducted, the results of such examinations and the relative score of valued 29 specifications will be weighed, as set out in the specifications, in deter-30 mining the lowest acquisition price. 31 (11) "Open contract" means a contract awarded by the state through the 32 division of purchasing as a result of a competitive solicitation to one (1) 33 or more vendors who have agreed to allow all agencies to procure specified 34 property under the terms and conditions set forth in the contract. 35 (12) "Procure" means to obtain property for state use in a manner other 36 than by gift including, but not limited to, purchase, lease or rent. 37 (13) "Property" means goods, services, parts, supplies and equipment, 38 39 both tangible and intangible, including, but not limited to, designs, plans, programs, systems, techniques and any rights or interests in such property. 40 (14) "Sole source" means the only vendor from whom specific property is 41 42 available to procure. (15) "Solicitation" means an invitation to bid, a request for proposal 43 or a request for quote issued pursuant to this chapter for the purpose of 44 45 procuring property. (16) "Specifications" means the standards or requirements for property 46 47 to be procured as explicitly stated in a solicitation or contract. (17) "State institution of higher education" means Boise state univer-48 sity, Idaho state university or Lewis-Clark state college. 49

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1 (18) "Vendor" means a person or entity capable of supplying property to 2 the state.

SECTION 3. That Chapter 92, Title 67, Idaho Code, be, and the same is
 hereby amended by the addition thereto of a <u>NEW SECTION</u>, to be known and des ignated as Section 67-9234, Idaho Code, and to read as follows:

67-9234. NOTICE OF INTENT PRIOR TO AGREEMENT TAKING EFFECT. (1) Any 6 7 agency of this state, including any state institution of higher education, that plans to enter into a contract or agreement with another person or en-8 tity in which goods, services, real estate, or other property reasonably 9 10 valued at more than twenty-five million dollars (\$25,000,000) are acquired, sold, or included in a part of the agreement shall provide a notice of intent 11 12 in a public disclosure no less than thirty (30) days prior to such agreement being approved. Notice of intent shall be given in a completed form, as pro-13 14 vided in subsection (5) of this section.

(2) Transactions that go through a solicitation process as described in
chapter 92, title 67, or chapter 9, title 40, Idaho Code; any transactions
that have been specifically authorized and appropriated or approved by the
legislature; any transactions made during an emergency, as defined in section 46-1002, Idaho Code; any transactions made prior to July 1, 2024; and
any legal settlements shall be exempt from the provisions of this section.

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(3) As used in this section, "notice" means:

(a) An electronic message of the notice of intent form sent to all leg islators and elected state officials using each of their official email
 addresses;

(b) A notice of intent form sent by email and by United States mail to
the news department of any television station located in any county affected by the proposed decision;

(c) A notice of intent form sent by email to the news department of any
 newspaper located in Ada county and any county affected by the proposed
 decision;

(d) A notice of intent form published on the website of the agency and on
 a social media blog or page, if any, managed by the agency with an oppor tunity to allow for public comment on the agreement; and

(e) A notice of intent form published one (1) time in one (1) newspaper
 of general circulation in a county where the decision is to take place.

(4) Any contract or agreement described in subsection (1) of this section that is not exempt pursuant to subsection (2) of this section that fails
to follow the notice process required by this section shall be null, void,
and of no force and effect.

40 (5) A notice of intent form as provided in this section shall be as fol41 lows:

42NOTICE OF INTENT TO ENTER INTO AN AGREEMENT AFFECTING MORE THAN43\$25 MILLION

This is notice that _____(name of board, agency, commission, constitutional officer, or other State of Idaho entity) intends to enter into an agreement to obligate by contract, agreement, or otherwise the State of Idaho in the amount of more than \$25 million or in-

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tends to enter into an agreement concerning a transaction in which goods, services, real estate, or other property reasonably valued at more than \$25 million is acquired, sold, or included in a part of the agreement.

5 Specifically, you are notified that a decision may be made on or 6 after 30 days from the date this notice is sent, and will concern 7 (description of the property involved), at (location includ-8 ing an address of the person or entity that is a party to the trans-9 action or obligation), and (the detailed purpose of the trans-10 action).

11 This transaction is not being made pursuant to the request for 12 proposals process in Idaho Code, and the transaction has not been 13 specifically approved by the Idaho Legislature.

14 For further information please contact: (name, title, email ad-15 dress, office address, and phone number)

16 Dated_____

17 By (Name and Title)

18 SECTION 4. That Section 67-9234, Idaho Code, be, and the same is hereby 19 amended to read as follows:

67-9234 67-9235. SEVERABILITY. Insofar as a provision of this chapter
 or the application of such provision to any person or circumstance is de clared invalid for any reason, such declaration shall not affect the valid ity of the remaining portions of this chapter.

SECTION 5. 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, 2024.