

WEST VIRGINIA LEGISLATURE

2020 REGULAR SESSION

Introduced

House Bill 4449

FISCAL
NOTE

BY DELEGATES GRAVES, LINVILLE, SKAFF,
SWARTZMILLER, STORCH, HIGGINBOTHAM, HANNA,
BARRETT, BOGGS, WESTFALL AND NELSON

[Introduced January 21, 2020; Referred to the
Committee on Small Business, Entrepreneurship and
Economic Development then Government
Organization]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section,
 2 designated §5A-3-37a, relating to requiring state purchases of certain items to be made
 3 from authorized dealers in this state rather than directly from the manufacturers in certain
 4 circumstances.

Be it enacted by the Legislature of West Virginia:

ARTICLE 3. PURCHASING DIVISION.

§5A-3-37a. Purchases from state located authorized dealers required in certain circumstances.

1 (a) Whenever bulk purchases are to be made of communication, electronic or other
 2 equipment or products for which authorized dealers are located in this state, if the manufacturer
 3 and an authorized dealer are tied for lowest bidder after competitive bidding, the purchases shall
 4 be made from that authorized dealer rather than directly from the out-of-state manufacturer of that
 5 equipment or those products.

6 (b) For a manufacturer to bid, they must make sufficient inventory available to a West
 7 Virginia dealer, if one exists with qualifying credit, to satisfy the bid, and the cost to the dealer
 8 may not be increased at the time of the bid in excess of any price previously made available to
 9 that dealer for those items in the previous 120 days.

10 (c) Venue for any legal action under this section lies exclusively in a West Virginia court.

11 (d) The Secretary of Administration shall propose rules in accordance with the provisions
 12 of §29A-3-1 et seq. to provide the procedures for following the provisions of this section.

NOTE: The purpose of this bill is to require bulk purchases of products which are sold by authorized dealers in this state be made from such dealers and not directly from out-of-state manufacturers of those products in certain circumstances.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.