

WEST VIRGINIA LEGISLATURE

**FISCAL
NOTE**

2025 REGULAR SESSION

Introduced

House Bill 2107

By Delegate Statler

[Introduced February 12, 2025; referred
to the Committee on Government Organization]

1 A BILL to amend and reenact §5A-3-10 of the West Virginia Code, 1931, as amended, relating to
2 requiring certain purchases of commodities and services from nonprofit workshops and
3 requiring the director consult with the Committee on the Purchase of Commodities and
4 Services from the Handicapped in making purchasing decisions.

Be it enacted by the Legislature of West Virginia:

ARTICLE 3. PURCHASING DIVISION.

§5A-3-10. Competitive bids; publication of solicitations for sealed bids; purchase of products of nonprofit workshops; employee to assist in dealings with nonprofit workshops; continuing procurements over \$1 million.

1 (a) A purchase of and contract for commodities, printing, and services shall be based on
2 competitive bids, except when another method of procurement is determined to be in the best
3 interest of the State.

4 (b) The director shall solicit, on behalf of spending units, sealed bids for the purchase of
5 commodities and printing which is estimated to exceed \$25,000. The director may delegate the
6 procurement of commodities, services, or printing estimated to be \$25,000 or less to the spending
7 unit. The director may set a higher or lower delegated procurement limit for a particular spending
8 unit if the director determines that such action would be in the best interest of the spending unit and
9 the State. In no event may the director authorize more than \$100,000 of delegated procurement
10 authority to a spending unit.

11 (c) Spending units shall not make an individual purchase in excess of the delegated
12 procurement limit established in subsection (b) of this section, issue a series of requisitions for the
13 same or similar commodity or service or divide or plan procurements with the intention to
14 circumvent the delegated procurement limit established in subsection (b), or otherwise avoid the
15 use of sealed bids. Any spending unit that discovers it has awarded multiple contracts for the same
16 or similar commodity or service to an individual vendor over any 12-month period shall file copies
17 of all contracts awarded or orders placed for the commodity, service, or printing in question within

the 12 preceding months with the director upon exceeding the delegated limit, along with a statement explaining how either the multiple contract awards or orders do not circumvent the delegated procurement limit, or how the contracts or orders were not intended to circumvent the delegated limit. If the spending unit does not report to the director within a reasonable period, the director shall contact the spending unit to request such statement and may suspend the purchasing authority of the spending unit until the spending unit complies with the reporting requirement of this subsection, as determined appropriate. The director may conduct a review of any spending unit to ensure compliance with this subsection. Following a review, in consultation with the relevant spending unit, the director shall complete a report summarizing his or her findings and forward the report to the spending unit. In addition, the director shall report to the Joint Committee on Government and Finance on January 1 and July 1 of each year the spending units which have reported under this subsection and the findings of the director.

(d) The director may permit bids by electronic transmission to be accepted in lieu of sealed bids.

(e) Bids shall be solicited by public notice. The notice may be published by any advertising medium the director considers advisable. The director may also solicit sealed bids by sending requests by mail or electronic transmission to prospective vendors.

(f) (1) The director ~~may~~ shall, without competitive bidding, purchase commodities and services produced and offered for sale by nonprofit workshops, as defined in §5A-1-1 of this code, which are located in this state: *Provided*, That the commodities and services shall be of a fair market price and of like quality comparable to other commodities and services otherwise available as determined by the director with the advice of the Committee on the Purchase of Commodities and Services from the Handicapped.

(2) To encourage contracts for commodities and services with nonprofit workshops, the director shall employ a person whose responsibilities in addition to other duties are to identify all

43 commodities and services available for purchase from nonprofit workshops, to evaluate the need
44 of the state for commodities and services to coordinate the various nonprofit workshops in their
45 production efforts, and to make available to the workshops information about available
46 opportunities within state government for purchase of commodities or services which might be
47 produced and sold by such workshops. Funds to employ such a person shall be included annually
48 in the budget.

49 (g) For all commodities and services in an amount exceeding \$1 million, if the procurement
50 of the commodity or service is continuing in nature, 12 months prior to the expiration of the contract
51 or final renewal option, whichever is later, the spending unit shall coordinate with the Purchasing
52 Division on a new procurement for such commodity or service under the requirements of this
53 article. This procurement shall be awarded or terminated no later than 180 days after the
54 procurement specifications have been finally approved by the Purchasing Division.

NOTE: The purpose of this bill is to require purchases of certain commodities from non-profit workshops and requiring the director consult with the Committee on the Purchase of Commodities and Services from the Handicapped in making purchasing decisions.

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