

WEST VIRGINIA LEGISLATURE

2026 REGULAR SESSION

Introduced

House Bill 4400

By Delegate Riley

[Introduced January 16, 2026; referred to the
Committee on Government Organization]

1 A BILL to amend and reenact §5A-3-10, §5A-6-2, §11-8-26 of the Code of West Virginia, 1931, as
2 amended; and to amend the code by adding a two new sections, designated §5A-3-10f
3 and §5A-6-4f, relating generally to procurement by state spending units and local fiscal
4 bodies of technology and technical infrastructure products and services; modifying
5 process for procurement of technical infrastructure by state spending units; and permitting
6 local fiscal bodies to enter into multi-year technology license service agreements with
7 justification.

Be it enacted by the Legislature of West Virginia:

CHAPTER 5A. DEPARTMENT OF ADMINISTRATION.

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) Bids for the purchase of technical infrastructure. Notwithstanding the provisions of
12 subsection (b) of this section to the contrary, the director shall solicit, on behalf of spending units,

13 sealed bids for the purchase of technical infrastructure as defined in §5A-6-2 of this code which is
14 estimated to exceed \$250,000. The director shall delegate the procurement of technical
15 infrastructure estimated to be \$250,000 or less to the spending unit. The director may set a higher
16 or lower delegated procurement limit for a particular spending unit for the purchase of technical
17 infrastructure if the director determines that such action would be in the best interest of the
18 spending unit and the state.

19 (d) Spending units shall not make an individual purchase in excess of the delegated
20 procurement limit established in subsection (b) or (c) of this section, issue a series of requisitions
21 for the same or similar commodity or service or divide or plan procurements with the intention to
22 circumvent the delegated procurement limit established in subsection (b) or (c) of this section, or
23 otherwise avoid the use of sealed bids. Any spending unit that discovers it has awarded multiple
24 contracts for the same or similar commodity or service to an individual vendor over any 12-month
25 period shall file copies of all contracts awarded or orders placed for the commodity, service, or
26 printing in question within the 12 preceding months with the director upon exceeding the delegated
27 limit, along with a statement explaining how either the multiple contract awards or orders do not
28 circumvent the delegated procurement limit, or how the contracts or orders were not intended to
29 circumvent the delegated limit. If the spending unit does not report to the director within a
30 reasonable period, the director shall contact the spending unit to request such statement and may
31 suspend the purchasing authority of the spending unit until the spending unit complies with the
32 reporting requirement of this subsection, as determined appropriate. The director may conduct a
33 review of any spending unit to ensure compliance with this subsection. Following a review, in
34 consultation with the relevant spending unit, the director shall complete a report summarizing his
35 or her findings and forward the report to the spending unit. In addition, the director shall report to
36 the Joint Committee on Government and Finance on January 1 and July 1 of each year the
37 spending units which have reported under this subsection and the findings of the director.

38 ~~(d)~~(e) The director may permit bids by electronic transmission to be accepted in lieu of

39 sealed bids.

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

43 ~~(f)~~(g) (1) The director may, without competitive bidding, purchase commodities and
44 services produced and offered for sale by nonprofit workshops, as defined in §5A-1-1 of this code,
45 which are located in this state: *Provided*, That the commodities and services shall be of a fair
46 market price and of like quality comparable to other commodities and services otherwise available
47 as determined by the director.

48 (2) To encourage contracts for commodities and services with nonprofit workshops, the
49 director shall employ a person whose responsibilities in addition to other duties are to identify all
50 commodities and services available for purchase from nonprofit workshops, to evaluate the need
51 of the state for commodities and services to coordinate the various nonprofit workshops in their
52 production efforts, and to make available to the workshops information about available
53 opportunities within state government for purchase of commodities or services which might be
54 produced and sold by such workshops. Funds to employ such a person shall be included annually
55 in the budget.

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

§5A-3-10f. Use of cooperative contracts.

1 Any state spending unit may make a written request to the director to procure technical
2 infrastructure pursuant to a competitively procured agreement. The director shall respond to the

request within 30 days of receipt of the request. If the director does not respond within 30 days of receipt of the request, the director is deemed to have approved the request and the spending unit may procure technical infrastructure pursuant to the competitively procured agreement.

ARTICLE 6. OFFICE OF TECHNOLOGY.

§5A-6-2.

Definitions.

As used in this article:

"Information systems" means a discrete set of information resources organized for the collection, processing, maintenance, use, sharing, dissemination, or disposition of information.

"Information technology" means any equipment or interconnected system or subsystem of equipment that is used in the automatic acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of data or information.

"Information technology marketplace portal" or "IT marketplace portal" means a structured digital catalog that customers can use to find, buy, deploy, and manage third-party information technology products and services whose pricing and discount levels are set by the third-party providers.

"Technology services" means professional services designed to provide functions, maintenance, and support of information technology devices, or services including, but not limited to, computer systems application development and maintenance; systems integration and interoperability; operating systems maintenance and design; computer systems programming; computer systems software support; planning and security relating to information technology devices; data management consultation; information technology education and consulting; information technology planning and standards; establishment of local area network and workstation management standards; and cloud computing.

"Telecommunications" means the preparation, transmission, communication, or related processing of information by electrical, electromagnetic, electromechanical, electro-optical, or

electronic means.

"Chief Information Officer" means the person holding the position created in §5A-6-3 of this code and vested with authority to oversee state spending units in planning and coordinating information systems that serve the effectiveness and efficiency of the state and individual state spending units, and further the overall management goals and purposes of government: *Provided*, That reference to "Chief Technology Officer" in other articles of this code shall mean "Chief Information Officer".

"Technical infrastructure" means all information systems, information technology, information technology equipment, telecommunications, and technology services as defined in this section.

"Technology project" means a project where technology is a significant component and is either valued at \$250,000 or more, or will involve sensitive or restricted data.

"Steering committee" means an internal agency oversight committee established jointly by the Chief Information Officer and the agency proposing the project, which shall include representatives from the Office of Technology and at least one representative from the agency proposing the project.

"Technology portfolio" means a strategic management process documenting relationships between agency missions and information technology and telecommunications investments.

§5A-6-4f. Information technology marketplace portal.

(a) On or before September 1, 2026, the Secretary of Administration shall approve at least two IT marketplace portals for use by state spending units. Any IT marketplace approved by the Secretary must meet the following minimum qualifications: (1) Be as equally accessible to West Virginia-based third-party solutions as they are to national solutions; (2) offer real-time transaction capability; (3) offer third-party solutions in addition to a providers' own products; (4) have the capability to apply negotiated contracts; (5) have the capability to search and filter by compliance frameworks; (6) have capability to view product security compliance in real-time; and (7) offer

8 diverse solution types. Diverse solution types include, but are not limited to software, software as a
9 service, machine learning algorithms, professional services, large data sets, and virtual images.

10 (b) The Chief Information Officer shall determine if the procurement of technical
11 infrastructure through an IT marketplace portal is advantageous for the State of West Virginia. The
12 Chief Information Officer may utilize best value procurement when determining if using an IT
13 marketplace portal is most advantageous for the State.

14 (c) Upon the approval of an IT marketplace portal by the Secretary, a state spending unit
15 may use the IT marketplace to procure technical infrastructure.

CHAPTER 11. TAXATION.

ARTICLE 8. LEVIES.

§11-8-26. Unlawful expenditures by local fiscal body.

1 (a) Except as provided in sections §11-8-14b, §11-8-25a, and §11-8-26a of this code, or
2 subsection (b) of this section, a local fiscal body shall not expend money or incur obligations:

3 (1) In an unauthorized manner;

4 (2) For an unauthorized purpose;

5 (3) In excess of the amount allocated to the fund in the levy order; or

6 (4) In excess of the funds available for current expenses.

7 (b) Local fiscal bodies may not obligate funds beyond the current fiscal year except for
8 contracts executed to procure technology licensing service agreements or technology services
9 including cloud computing. Local fiscal bodies shall justify entering into multi-year technology
10 license service agreements or technology services including cloud computing by maintaining
11 documentation of material fiscal savings to the body.

12 (c) Notwithstanding the foregoing and any other provision of law to the contrary, a local
13 fiscal body or its duly authorized officials may not be penalized for a casual deficit which does not
14 exceed its approved levy estimate by more than three percent: *Provided*, That such casual deficit

15 is satisfied in the levy estimate for the succeeding fiscal year: *Provided, however,* That in
16 calculating a deficit for purposes of this section, account shall not be taken of any amount for which
17 the local fiscal body may be liable for the unfunded actuarial accrued liability of the West Virginia
18 Retiree Health Benefit Trust Fund or any amount allocated to the local fiscal body as an employer
19 annual required contribution that exceeds the minimum annual employer payment component of
20 the contribution, all as provided under §5-16D-1 et seq. of this code.

NOTE: The purpose of this bill is to streamline procurement by state spending units, so that West Virginia can move to the forefront of government innovation, improve citizen services, and reduce government inefficiency.

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