



Legislative Council Staff
Research Note

Version: Final

Date: 4/21/2017

Bill Number

House Bill 17-1051

Sponsors

***Representatives Rankin &
Garnett
Senators Coram & Kerr***

Short Title

***Procurement Code
Modernization***

Research Analyst

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Status

This research note reflects the final version of the bill, which becomes effective on August 9, 2017, assuming no referendum petition is filed.

Background

The state procurement code is designed to ensure the fair treatment of people seeking to do business with the state, to foster broad-based competition through a bidding process, and to save money on purchases made with state funds. The procurement code has not been comprehensively reviewed since its adoption in 1982. Likewise, the procurement rules, which are required by the procurement code, have not been comprehensively reviewed or updated since they were established in 1993. The administration of the procurement code and rules is overseen by the State Procurement Officer within the Office of State Purchasing and Contracts in the Colorado Department of Personnel and Administration (DPA).

House Bill 16-1451 directed DPA to convene a working group to meet during the 2016 interim between legislative sessions to study ways to improve the state procurement code. The group was required to solicit input from subject matter experts and to submit recommendations for modifications to the procurement code to the General Assembly on or before December 1, 2016. The findings of the working group are reflected in the bill.

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House Action

House Business Affairs and Labor Committee (February 28, 2017). At the hearing, representatives from the Colorado Department of Personnel and Administration and the Colorado Nonprofit Association testified in support of the bill. A representative from Dentons law firm testified in a neutral position.

The committee adopted amendments L.001, L.002, L.003 as amended by L.005, and L.004, and referred the bill to the House Committee of the Whole. The amendments made several technical changes to the bill. The amendments also removed language from the bill related to remedies not involving the termination of a contract and removed the requirement that an aggrieved party obtain an appeal bond.

House second reading (March 3, 2017). The House adopted the House Business Affairs and Labor Committee report and amendment No. 2, which amended the committee report. Amendment No. 2 removed the exemptions from the procurement code that the bill added for telecommunications, fuel, and services approved by the Attorney General that are of a specialized nature needed to support criminal proceedings, civil enforcement, or legal services.

House third reading (March 6, 2017). The House passed the bill on third reading with no amendments.

Senate Action

Senate Business, Labor, and Technology Committee (March 15, 2017). At the hearing, representatives from the Colorado Department of Personnel and Administration and the Colorado Nonprofit Association testified in support of the bill. A representative from Dentons law firm testified in a neutral position. The committee referred the bill, unamended, to the Senate Committee of the Whole, with a recommendation that it be placed on the consent calendar.

Senate second reading (March 20, 2017). The Senate passed the bill on the second reading consent calendar with no amendments.

Senate third reading (March 21, 2017). The Senate passed the bill on third reading with no amendments.

Relevant Research

Legislative Council Staff, *State Procurement and Contracting*, Issue Brief, October 2016: http://leg.colorado.gov/sites/default/files/state_procurement_and_contracting_ib_2016_0.pdf