

WEST VIRGINIA LEGISLATURE

2023 REGULAR SESSION

Introduced

House Bill 3459

By Delegate Phillips

[Introduced February 14, 2023; Referred to the
Committee on Government Organization]

1 A BILL to amend and reenact §5A-3-10e of the Code of West Virginia, 1931, as amended, allowing
2 for evaluation of prequalified bidders to be based on best value.

Be it enacted by the Legislature of West Virginia:

ARTICLE 3. PURCHASING DIVISION.

§5A-3-10e. Prequalification agreement; agency-delegated bidding.

1 (a) Subject to the limitations of this section, the director may permit spending units to
2 procure commodities and services from a preapproved vendor through a prequalification
3 agreement and delegated prequalification bidding if the director determines the process is fair,
4 economical, and in the best interests of the state.

5 (b) Definitions. — For purposes of this section:

6 "Prequalification agreement" means an agreement, having a term of no more than three
7 years, between the Purchasing Division and at least two prequalified vendors authorizing a
8 spending unit to purchase a commodity or service on a recurrent basis through the delegated
9 prequalification bidding process defined in the prequalification agreement.

10 "Prequalified vendor" means a "vendor", as that term is defined in §5A-1-1 of this code,
11 that has entered into a prequalification agreement with the Purchasing Division and may
12 participate in the delegated prequalification bidding subject to the terms and conditions of the
13 prequalification agreement.

14 "Delegated prequalification bidding" means the competitive bidding process whereby the
15 prequalified vendors that are parties to a prequalification agreement may submit sealed bids
16 directly to spending units to provide a commodity or service identified in the prequalification
17 agreement subject to the limitations set forth in this section.

18 (c) Prequalification agreement. —

19 (1) For each prequalification agreement, the director shall set forth the requirements,
20 technical or otherwise, under which a vendor may be qualified to supply a commodity or service

21 through the delegated prequalification bidding. For each prequalification agreement, the director
22 shall follow the notice and advertising requirements set forth in §SA-3-10 of this code.

23 (2) A prequalification agreement may authorize the delegated prequalification bidding for
24 only one type of commodity or service.

25 (3) A vendor may submit information to the director to establish that it meets the
26 requirements set forth in the prequalification agreement.

27 (4) If the director determines that a vendor meets the requirements set forth in the
28 prequalification agreement, the vendor may enter into the prequalification agreement as a
29 prequalified vendor.

30 (d) Delegated prequalification bidding procedures. —

31 (1) A spending unit may commence the delegated prequalification bidding process by
32 issuing a request for a commodity or service identified in the prequalification agreement stating in
33 the request the quantity of the commodity or if a service, the scope of work to be completed, to be
34 procured.

35 (2) The prequalified vendor that submits the lowest bid, or if the solicitation is a best value
36 procurement, the highest scoring responsive and responsible bidder when evaluating all factors in
37 the best value procurement, in response to the request shall be awarded the procurement.

38 (3) The delegated prequalification bidding may not be utilized for any request for
39 commodities or services anticipated to cost more than \$1 million, unless approved in writing by the
40 Director of Purchasing. The state may not issue a series of orders each anticipated to cost less
41 than \$1 million to circumvent the monetary limitation in this subsection. The limit expressed herein
42 applies to each delegated prequalification bid conducted pursuant to the prequalification
43 agreement and not to total spending under the prequalification agreement.

44 (e) Rule-making authority. — The Director of the Purchasing Division shall propose rules
45 for legislative approval in accordance with the provisions of §29A-3-1 *et seq.* of this code to
46 implement this section. including, but not limited to, provisions to establish procedures for the

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- 47 solicitation and authorization of prequalification agreements, prequalification of vendors, and
48 implementation of delegated prequalification bidding.

NOTE: The purpose of this bill is to allow for a best value procurement evaluation for prequalified bidders.

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