## Adopted AMENDMENT NO 1 PROPOSED TO

## House Bill No. 249

## BY: Senator(s) Blackwell

Amend by striking all after the enacting clause and inserting in lieu thereof the following:

- SECTION 1. Section 25-9-107, Mississippi Code of 1972, is
- 28 amended as follows:
- 29 25-9-107. The following terms, when used in this chapter,
- 30 unless a different meaning is plainly required by the context,
- 31 shall have the following meanings:
- 32 (a) "Board" means the State Personnel Board created
- 33 under the provisions of this chapter.
- 34 (b) "State service" means all employees of state
- 35 departments, agencies and institutions as defined herein, except
- 36 those officers and employees excluded by this chapter.



- 37 (c) "Nonstate service" means the following officers and
- 38 employees excluded from the state service by this chapter. The
- 39 following are excluded from the state service:
- 40 (i) Members of the State Legislature, their staff
- 41 and other employees of the legislative branch;
- 42 (ii) The Governor and staff members of the
- 43 immediate Office of the Governor;
- 44 (iii) Justices and judges of the judicial branch
- 45 or members of appeals boards on a per diem basis;
- 46 (iv) The Lieutenant Governor, staff members of the
- 47 immediate Office of the Lieutenant Governor and officers and
- 48 employees directly appointed by the Lieutenant Governor;
- (v) Officers and officials elected by popular vote
- 50 and persons appointed to fill vacancies in elective offices;
- (vi) Members of boards and commissioners appointed
- 52 by the Governor, Lieutenant Governor or the State Legislature;
- 53 (vii) All academic officials, members of the
- 54 teaching staffs and employees of the state institutions of higher
- 55 learning, the Mississippi Community College Board, and community
- 56 and junior colleges;
- 57 (viii) Officers and enlisted members of the
- 58 National Guard of the state;
- 59 (ix) Prisoners, inmates, student or patient help
- 60 working in or about institutions;



- 61 Contract personnel; provided that any agency 62 which employs state service employees may enter into contracts for personal and professional services only if such contracts are 63 64 approved in compliance with the rules and regulations promulgated 65 by the Public Procurement Review Board under Section 27-104-7. 66 Before paying any warrant for such contractual services in excess 67 of Seventy-five Thousand Dollars (\$75,000.00), the Auditor of Public Accounts, or the successor to those duties, shall determine 68 69 whether the contract involved was for personal or professional 70 services, and, if so, was approved by the Public Procurement 71 Review Board as required by law;
- (xi) Part-time employees; \* \* \* however, part-time
  employees shall only be hired into authorized employment positions
  classified by the board, shall meet minimum qualifications as set
  by the board, and shall be paid in accordance with the Variable
  Compensation Plan as certified by the board;
- (xii) Persons appointed on an emergency basis for
  the duration of the emergency; the effective date of the emergency
  appointments shall not be earlier than the date approved by the
  State Personnel Director, and shall be limited to thirty (30)
  working days. Emergency appointments may be extended to sixty
  (60) working days by the State Personnel Board;
  (xiii) Physicians, dentists, veterinarians, nurse
- (xiii) Physicians, dentists, veterinarians, nurse practitioners and attorneys, while serving in their professional capacities in authorized employment positions who are required by

- 86 statute to be licensed, registered or otherwise certified as such,
- 87 provided that the State Personnel Director shall verify that the
- 88 statutory qualifications are met prior to issuance of a payroll
- 89 warrant by the Auditor;
- 90 (xiv) Personnel who are employed and paid from
- 91 funds received from a federal grant program which has been
- 92 approved by the Legislature or the Department of Finance and
- 93 Administration whose length of employment has been determined to
- 94 be time-limited in nature. This subparagraph shall apply to
- 95 personnel employed under the provisions of the Comprehensive
- 96 Employment and Training Act of 1973, as amended, and other special
- 97 federal grant programs which are not a part of regular federally
- 98 funded programs wherein appropriations and employment positions
- 99 are appropriated by the Legislature. Such employees shall be paid
- 100 in accordance with the Variable Compensation Plan and shall meet
- 101 all qualifications required by federal statutes or by the
- 102 Mississippi Classification Plan;
- 103 (xv) The administrative head who is in charge of
- 104 any state department, agency, institution, board or commission,
- 105 wherein the statute specifically authorizes the Governor, board,
- 106 commission or other authority to appoint said administrative
- 107 head; \* \* \* however, \* \* \* the salary of such administrative head
- 108 shall be determined by the State Personnel Board in accordance
- 109 with the Variable Compensation Plan unless otherwise fixed by
- 110 statute;

111	(xvi) The State Personnel Board shall exclude
112	top-level positions if the incumbents determine and publicly
113	advocate substantive program policy and report directly to the
114	agency head, or the incumbents are required to maintain a direct
115	confidential working relationship with a key excluded
116	official. * * * Further, a written job classification shall be
117	approved by the board for each such position, and positions so
118	excluded shall be paid in conformity with the Variable
119	Compensation Plan;
120	(xvii) Employees whose employment is solely in
121	connection with an agency's contract to produce, store or
122	transport goods, and whose compensation is derived therefrom;
123	(xviii) Repealed;
124	(xix) The associate director, deputy directors and
125	bureau directors within the Department of Agriculture and
126	Commerce;
127	(xx) Personnel employed by the Mississippi
128	Industries for the Blind; provided that any agency may enter into
129	contracts for the personal services of MIB employees without the
130	prior approval of the State Personnel Board or the State Personal
131	Service Contract Review Board; however, any agency contracting for
132	the personal services of an MIB employee shall provide the MIB
133	employee with not less than the entry-level compensation and
134	benefits that the agency would provide to a full-time employee of
135	the agency who performs the same services;



136	(xxi) Personnel employed by the Mississippi
137	Department of Wildlife, Fisheries and Parks and the Mississippi
138	Department of Marine Resources as law enforcement trainees
139	(cadets); such personnel shall be paid in accordance with the
140	Colonel Guy Groff State Variable Compensation Plan;
141	(xxii) Administrators and instructional employees
142	under contract or employed by the Mississippi School of the Arts
143	(MSA) established in Section 37-140-1 et seq.;
144	(xxiii) The President of the Mississippi Lottery
145	Corporation and personnel employed by the Mississippi Lottery
146	Corporation;
147	(xxiv) Employees, excluding administrative
148	employees, of the State Veterans Affairs Board who are employed at
149	a veterans home established by the State Veterans Affairs Board
150	under Section 35-1-19;
151	(xxv) Personnel employed by the Mississippi
152	Department of Health whose employment is solely in connection with
153	the department's responsibilities in implementing, administering
154	and enforcing provisions of the Mississippi Medical Cannabis Act.
155	This subparagraph shall stand repealed on June 30, * * * $\frac{2026}{}$ ; and
156	(xxvi) Personnel employed by the Mississippi
157	Department of Revenue whose employment is solely in connection
158	with the department's responsibilities in implementing,
159	administering and enforcing provisions of the Mississippi Medical



- 160 Cannabis Act. This subparagraph shall stand repealed on June
- 161 30, \* \* \* 2026.
- "Agency" means any state board, commission, 162
- 163 committee, council, department or unit thereof created by the
- Constitution or statutes if such board, commission, committee, 164
- 165 council, department, unit or the head thereof, is authorized to
- 166 appoint subordinate staff by the Constitution or statute, except a
- 167 legislative or judicial board, commission, committee, council,
- 168 department or unit thereof.
- SECTION 2. Section 25-43-1.103, Mississippi Code of 1972, is 169
- 170 amended as follows:
- 171 This chapter applies to all agencies and 25-43-1.103. (1)
- 172 all proceedings not expressly exempted under this chapter.
- 173 This chapter creates only procedural rights and imposes
- 174 only procedural duties. They are in addition to those created and
- 175 imposed by other statutes.
- 176 Specific statutory provisions which govern agency
- proceedings and which are in conflict with any of the provisions 177
- 178 of this chapter shall continue to be applied to all proceedings of
- 179 any such agency to the extent of such conflict only.
- 180 The provisions of this chapter shall not be construed to
- 181 amend, repeal or supersede the provisions of any other law; and,
- 182 to the extent that the provisions of any other law conflict or are
- 183 inconsistent with the provisions of this chapter, the provisions
- of such other law shall govern and control. 184



- 185 An agency may grant procedural rights to persons in 186 addition to those conferred by this chapter so long as rights 187 conferred upon other persons by any provision of law are not 188 substantially prejudiced.
- 189 For the purposes of implementing, administering and/or 190 enforcing the provisions of rules and regulations promulgated 191 pursuant to the Mississippi Medical Cannabis Act, the Mississippi 192 State Department of Health and the Mississippi Department of 193 Revenue shall be exempted from this chapter from February 2, 2022, through June 30, \* \* \* 2026. This subsection shall stand repealed 194 on June 30, \* \* \* 2026. 195
- 196 SECTION 3. Section 25-53-1, Mississippi Code of 1972, is 197 amended as follows:
  - The Legislature recognizes that in order for the State of Mississippi to receive the maximum use and benefit from information technology and services now in operation or which will in the future be placed in operation, there should be full cooperation and cohesive planning and effort by and between the several state agencies and that it is the responsibility of the Legislature to provide statutory authority therefor. The Legislature, therefore, declares and determines that for these and other related purposes there is hereby established an agency of state government to be known as the Mississippi Department of Information Technology Services (MDITS). The Legislature further declares that the Mississippi Department of Information Technology

199

200

201

202

203

204

205

206

207

208

- 210 Services (MDITS) shall provide statewide services that facilitate
- 211 cost-effective information processing and telecommunication
- 212 solutions. State agencies shall work in full cooperation with the
- 213 board of MDITS to identify opportunities to minimize duplication,
- 214 reduce costs and improve the efficiency of providing common
- 215 technology services across agency boundaries. The provisions of
- 216 this chapter shall not apply to the Department of Human Services
- 217 for a period of three (3) years beginning July 1, 2017. The
- 218 provisions of this chapter shall not apply to the Department of
- 219 Child Protection Services for a period of three (3) years
- 220 beginning July 1, 2017. Through June 30, \* \* \* 2024, the
- 221 provisions of this chapter shall not apply to the Department of
- 222 Health and the Department of Revenue for the purposes of
- 223 implementing, administering and enforcing the provisions of the
- 224 Mississippi Medical Cannabis Act.
- 225 **SECTION 4.** Section 25-53-5, Mississippi Code of 1972, as
- 226 amended by Senate Bill No. 2728, 2023 Regular Session, is amended
- 227 as follows:
- 228 25-53-5. The authority shall have the following powers,
- 229 duties, and responsibilities:
- 230 (a) (i) The authority shall provide for the
- 231 development of plans for the efficient acquisition and utilization
- 232 of computer equipment and services by all agencies of state
- 233 government, and provide for their implementation. In so doing,
- 234 the authority may use the MDITS' staff, at the discretion of the

235 executive director of the authority, or the authority may contract 236 for the services of qualified consulting firms in the field of 237 information technology and utilize the service of such consultants 238 as may be necessary for such purposes. Pursuant to Section 239 25-53-1, the provisions of this section shall not apply to the 240 Department of Human Services for a period of three (3) years 241 beginning on July 1, 2017. Pursuant to Section 25-53-1, the 242 provisions of this section shall not apply to the Department of 243 Child Protection Services for a period of three (3) years 244 beginning July 1, 2017.

## 245 (ii) [Repealed]

246

247

248

249

250

251

252

253

254

255

256

- (b) The authority shall immediately institute procedures for carrying out the purposes of this chapter and supervise the efficient execution of the powers and duties of the office of executive director of the authority. In the execution of its functions under this chapter, the authority shall maintain as a paramount consideration the successful internal organization and operation of the several agencies so that efficiency existing therein shall not be adversely affected or impaired. In executing its functions in relation to the institutions of higher learning and junior colleges in the state, the authority shall take into consideration the special needs of such institutions in relation to the fields of teaching and scientific research.
- 258 (c) Title of whatever nature of all computer equipment 259 now vested in any agency of the State of Mississippi is hereby

vested in the authority, and no such equipment shall be disposed
of in any manner except in accordance with the direction of the
authority or under the provisions of such rules and regulations as
may hereafter be adopted by the authority in relation thereto.

- 264 (d) The authority shall adopt rules, regulations, and 265 procedures governing the acquisition of computer and 266 telecommunications equipment and services which shall, to the 267 fullest extent practicable, insure the maximum of competition 268 between all manufacturers of supplies or equipment or services. 269 In the writing of specifications, in the making of contracts 270 relating to the acquisition of such equipment and services, and in 271 the performance of its other duties the authority shall provide 272 for the maximum compatibility of all information systems hereafter 273 installed or utilized by all state agencies and may require the 274 use of common computer languages where necessary to accomplish the 275 purposes of this chapter. The authority may establish by 276 regulation and charge reasonable fees on a nondiscriminatory basis 277 for the furnishing to bidders of copies of bid specifications and 278 other documents issued by the authority.
  - (e) The authority shall adopt rules and regulations governing the sharing with, or the sale or lease of information technology services to any nonstate agency or person. Such regulations shall provide that any such sharing, sale or lease shall be restricted in that same shall be accomplished only where such services are not readily available otherwise within the



279

280

281

282

283

- state, and then only at a charge to the user not less than the prevailing rate of charge for similar services by private enterprise within this state.
- 288 The authority may, in its discretion, establish a (f) 289 special technical advisory committee or committees to study and 290 make recommendations on technology matters within the competence 291 of the authority as the authority may see fit. Persons serving on 292 the Information Resource Council, its task forces, or any such 293 technical advisory committees shall be entitled to receive their 294 actual and necessary expenses actually incurred in the performance 295 of such duties, together with mileage as provided by law for state 296 employees, provided the same has been authorized by a resolution 297 duly adopted by the authority and entered on its minutes prior to 298 the performance of such duties.
  - require the adoption of standardized computer programs and may provide for the dissemination of information to and the establishment of training programs for the personnel of the various information technology centers of state agencies and personnel of the agencies utilizing the services thereof.
  - (h) The authority shall adopt reasonable rules and regulations requiring the reporting to the authority through the office of executive director of such information as may be required for carrying out the purposes of this chapter and may also establish such reasonable procedures to be followed in the

300

301

302

303

304

305

306

307

308

- presentation of bills for payment under the terms of all contracts for the acquisition of computer equipment and services now or hereafter in force as may be required by the authority or by the executive director in the execution of their powers and duties.
- (i) The authority shall require such adequate
  documentation of information technology procedures utilized by the
  various state agencies and may require the establishment of such
  organizational structures within state agencies relating to
  information technology operations as may be necessary to
  effectuate the purposes of this chapter.
  - (j) The authority may adopt such further reasonable rules and regulations as may be necessary to fully implement the purposes of this chapter. All rules and regulations adopted by the authority shall be published and disseminated in readily accessible form to all affected state agencies, and to all current suppliers of computer equipment and services to the state, and to all prospective suppliers requesting the same. Such rules and regulations shall be kept current, be periodically revised, and copies thereof shall be available at all times for inspection by the public at reasonable hours in the offices of the authority. Whenever possible no rule, regulation or any proposed amendment to such rules and regulations shall be finally adopted or enforced until copies of the proposed rules and regulations have been furnished to all interested parties for their comment and suggestions.

321

322

323

324

325

326

327

328

329

330

331

332

333

335	(k) The authority shall establish rules and regulations
336	which shall provide for the submission of all contracts proposed
337	to be executed by the executive director for computer equipment
338	and/or telecommunications or services, including cloud computing,
339	to the authority for approval before final execution, and the
340	authority may provide that such contracts involving the
341	expenditure of less than such specified amount as may be
342	established by the authority may be finally executed by the
343	executive director without first obtaining such approval by the
344	authority.

- technologies, such as cloud computing, to purchase, lease, or rent computer equipment or services and to operate that equipment and use those services in providing services to one or more state agencies when in its opinion such operation will provide maximum efficiency and economy in the functions of any such agency or agencies.
- (m) Upon the request of the governing body of a

  political subdivision or instrumentality, the authority shall

  assist the political subdivision or instrumentality in its

  development of plans for the efficient acquisition and utilization

  of computer equipment and services. An appropriate fee shall be

  charged the political subdivision by the authority for such

  assistance.



359	(n) The authority shall adopt rules and regulations
360	governing the protest procedures to be followed by any actual or
361	prospective bidder, offerer or contractor who is aggrieved in
362	connection with the solicitation or award of a contract for the
363	acquisition of computer equipment or services. Such rules and
364	regulations shall prescribe the manner, time and procedure for
365	making protests and may provide that a protest not timely filed
366	shall be summarily denied. The authority may require the
367	protesting party, at the time of filing the protest, to post a
368	bond, payable to the state, in an amount that the authority
369	determines sufficient to cover any expense or loss incurred by the
370	state, the authority or any state agency as a result of the
371	protest if the protest subsequently is determined by a court of
372	competent jurisdiction to have been filed without any substantial
373	basis or reasonable expectation to believe that the protest was
374	meritorious; however, in no event may the amount of the bond
375	required exceed a reasonable estimate of the total project cost.
376	The authority, in its discretion, also may prohibit any
377	prospective bidder, offerer or contractor who is a party to any
378	litigation involving any such contract with the state, the
379	authority or any agency of the state to participate in any other
380	such bid, offer or contract, or to be awarded any such contract,
381	during the pendency of the litigation.

Legislature each year in the month of January. Such report shall

The authority shall make a report in writing to the

382

384 contain a full and detailed account of the work of the authority 385 for the preceding year as specified in Section 25-53-29(3).

386 All acquisitions of computer equipment and services involving 387 the expenditure of funds in excess of the dollar amount established in Section 31-7-13(c), or rentals or leases in excess 388 389 of the dollar amount established in Section 31-7-13(c) for the 390 term of the contract, shall be based upon competitive and open 391 specifications, and contracts therefor shall be entered into only 392 after advertisements for bids are published in one or more daily 393 newspapers having a general circulation in the state not less than 394 fourteen (14) days prior to receiving sealed bids therefor. 395 authority may reserve the right to reject any or all bids, and if 396 all bids are rejected, the authority may negotiate a contract 397 within the limitations of the specifications so long as the terms 398 of any such negotiated contract are equal to or better than the 399 comparable terms submitted by the lowest and best bidder, and so 400 long as the total cost to the State of Mississippi does not exceed 401 the lowest bid. If the authority accepts one (1) of such bids, it 402 shall be that which is the lowest and best. Through June 403 30, \* \* \* 2024, the provisions of this paragraph shall not apply 404 to acquisitions of information technology equipment and services 405 made by the Mississippi Department of Health and \* \* \* the 406 Mississippi Department of Revenue for the purposes of 407 implementing, administering and \* \* \* enforcing the provisions of the Mississippi Medical Cannabis Act. 408

409	(p) When applicable, the authority may procure
410	equipment, systems and related services in accordance with the law
411	or regulations, or both, which govern the Bureau of Purchasing of
412	the Office of General Services or which govern the Mississippi
413	Department of Information Technology Services procurement of
414	telecommunications equipment, software and services.
415	(q) The authority is authorized to purchase, lease, or
416	rent information technology and services for the purpose of
417	establishing pilot projects to investigate emerging technologies.
418	These acquisitions shall be limited to new technologies and shall
419	be limited to an amount set by annual appropriation of the
420	Legislature. These acquisitions shall be exempt from the
421	advertising and bidding requirement.
422	(r) To promote the maximum use and benefit from
423	technology and services now in operation or which will in the
424	future be placed in operation and to identify opportunities,
425	minimize duplication, reduce costs and improve the efficiency of
426	providing common technology services the authority is authorized
427	<u>to:</u>
428	(i) Enter into master agreements for computer or
429	telecommunications equipment or services, including cloud
430	computing, available for shared use by state agencies, institutes
431	of higher learning and governing authorities; and
432	(ii) Enter into contracts for the acquisition of
433	computer or telecommunications equipment or services, including



- d34 cloud computing, that have been acquired by other entities,
- 435 located within or outside of the State of Mississippi, so long as
- 436 it is determined by the authority to be in the best interest of
- 437 the state. The acquisitions provided in this paragraph (r) shall
- 438 be exempt from the advertising and bidding requirements of Section
- $439 \quad 25-53-1 \text{ et seq.}$
- 440 (\* \* \*s) All fees collected by the Mississippi
- 441 Department of Information Technology Services shall be deposited
- 442 into the Mississippi Department of Information Technology Services
- 443 Revolving Fund unless otherwise specified by the Legislature.
- ( \* \* \*t) The authority shall work closely with the
- 445 council to bring about effective coordination of policies,
- 446 standards and procedures relating to procurement of remote sensing
- 447 and geographic information systems (GIS) resources. In addition,
- 448 the authority is responsible for development, operation and
- 449 maintenance of a delivery system infrastructure for geographic
- 450 information systems data. The authority shall provide a warehouse
- 451 for Mississippi's geographic information systems data.
- ( \* \* \*u) The authority shall manage one or more State
- 453 Data Centers to provide information technology services on a
- 454 cost-sharing basis. In determining the appropriate services to be
- 455 provided through the State Data Center, the authority should
- 456 consider those services that:
- 457 (i) Result in savings to the state as a whole;



458	(ii) Improve and enhance the security and
459	reliability of the state's information and business systems; and
460	(iii) Optimize the efficient use of the state's
461	information technology assets, including, but not limited to,
462	promoting partnerships with the state institutions of higher
463	learning and community colleges to capitalize on advanced
464	information technology resources.
465	( * * * $\underline{v}$ ) The authority shall increase federal
466	participation in the cost of the State Data Center to the extent
467	provided by law and its shared technology infrastructure through
468	providing such shared services to agencies that receive federal
469	funds. With regard to state institutions of higher learning and
470	community colleges, the authority may provide shared services when
471	mutually agreeable, following a determination by both the
472	authority and the Board of Trustees of State Institutions of
473	Higher Learning or the Mississippi Community College Board, as the
474	case may be, that the sharing of services is mutually beneficial.
475	( * * $*\underline{w}$ ) The authority, in its discretion, may require
476	new or replacement agency business applications to be hosted at
477	the State Data Center. With regard to state institutions of
478	higher learning and community colleges, the authority and the
479	Board of Trustees of State Institutions of Higher Learning or the
480	Mississippi Community College Board, as the case may be, may agree
481	that institutions of higher learning or community colleges may
482	utilize business applications that are hosted at the State Data

- 483 Center, following a determination by both the authority and the 484 applicable board that the hosting of those applications is 485 mutually beneficial. In addition, the authority may establish 486 partnerships to capitalize on the advanced technology resources of the Board of Trustees of State Institutions of Higher Learning or 487 488 the Mississippi Community College Board, following a determination 489 by both the authority and the applicable board that such a 490 partnership is mutually beneficial.
- 491 (\*\*\* $\underline{x}$ ) The authority shall provide a periodic update 492 regarding reform-based information technology initiatives to the 493 Chairmen of the House and Senate Accountability, Efficiency and 494 Transparency Committees.

495 From and after July 1, 2018, the expenses of this agency 496 shall be defrayed by appropriation from the State General Fund. 497 In addition, in order to receive the maximum use and benefit from 498 information technology and services, expenses for the provision of 499 statewide shared services that facilitate cost-effective 500 information processing and telecommunication solutions shall be 501 defrayed by pass-through funding and shall be deposited into the 502 Mississippi Department of Information Technology Services 503 Revolving Fund unless otherwise specified by the Legislature. 504 These funds shall only be utilized to pay the actual costs 505 incurred by the Mississippi Department of Information Technology 506 Services for providing these shared services to state agencies.



Furthermore, state agencies shall work in full cooperation with

- 508 the Board of the Mississippi Department of Information Technology
- 509 Services to identify computer equipment or services to minimize
- 510 duplication, reduce costs, and improve the efficiency of providing
- 511 common technology services across agency boundaries.
- SECTION 5. Section 27-104-7, Mississippi Code of 1972, is
- 513 amended as follows:
- 514 27-104-7. (1) (a) There is created the Public Procurement
- 515 Review Board, which shall be reconstituted on January 1, 2018, and
- 516 shall be composed of the following members:
- 517 (i) Three (3) individuals appointed by the
- 518 Governor with the advice and consent of the Senate;
- 519 (ii) Two (2) individuals appointed by the
- 520 Lieutenant Governor with the advice and consent of the Senate; and
- 521 (iii) The Executive Director of the Department of
- 522 Finance and Administration, serving as an ex officio and nonvoting
- 523 member.
- 524 (b) The initial terms of each appointee shall be as
- 525 follows:
- 526 (i) One (1) member appointed by the Governor to
- 527 serve for a term ending on June 30, 2019;
- 528 (ii) One (1) member appointed by the Governor to
- 529 serve for a term ending on June 30, 2020;
- 530 (iii) One (1) member appointed by the Governor to
- 531 serve for a term ending on June 30, 2021;



532	(iv) One (1) member appointed by the Lieutenant
533	Governor to serve for a term ending on June 30, 2019; and
534	(v) One (1) member appointed by the Lieutenant
535	Governor to serve for a term ending on June 30, 2020.
536	After the expiration of the initial terms, all appointed
537	members' terms shall be for a period of four (4) years from the
538	expiration date of the previous term, and until such time as the
539	member's successor is duly appointed and qualified.
540	(c) When appointing members to the Public Procurement
541	Review Board, the Governor and Lieutenant Governor shall take into
542	consideration persons who possess at least five (5) years of
543	management experience in general business, health care or finance
544	for an organization, corporation or other public or private
545	entity. Any person, or any employee or owner of a company, who
546	receives any grants, procurements or contracts that are subject to
547	approval under this section shall not be appointed to the Public
548	Procurement Review Board. Any person, or any employee or owner of
549	a company, who is a principal of the source providing a personal
550	or professional service shall not be appointed to the Public
551	Procurement Review Board if the principal owns or controls a
552	greater than five percent (5%) interest or has an ownership value
553	of One Million Dollars (\$1,000,000.00) in the source's business,
554	whichever is smaller. No member shall be an officer or employee
555	of the State of Mississippi while serving as a voting member on

the Public Procurement Review Board.

557		(d)	Member	rs of	f the	Puk	olic I	Procure	emen	nt Review	w Board	
558	shall be	entit.	led to	per	diem	as	autho	orized	by	Section	25-3-69	and
559	travel re	eimbur:	sement	as a	authoi	cize	ed by	Section	on 2	25-3-41.		

- The members of the Public Procurement Review Board 560 (e)561 shall elect a chair from among the membership, and he or she shall 562 preside over the meetings of the board. The board shall annually 563 elect a vice chair, who shall serve in the absence of the chair. 564 No business shall be transacted, including adoption of rules of 565 procedure, without the presence of a quorum of the board. 566 (3) members shall be a quorum. No action shall be valid unless 567 approved by a majority of the members present and voting, entered 568 upon the minutes of the board and signed by the chair. Necessary 569 clerical and administrative support for the board shall be 570 provided by the Department of Finance and Administration. Minutes 571 shall be kept of the proceedings of each meeting, copies of which 572 shall be filed on a monthly basis with the chairs of the 573 Accountability, Efficiency and Transparency Committees of the 574 Senate and House of Representatives and the chairs of the 575 Appropriations Committees of the Senate and House of Representatives. 576
- 577 (2) The Public Procurement Review Board shall have the 578 following powers and responsibilities:
- 579 (a) Approve all purchasing regulations governing the 580 purchase or lease by any agency, as defined in Section 31-7-1, of



581 commodities and equipment, except computer equipment acquired 582 pursuant to Sections 25-53-1 through 25-53-29;

583 Adopt regulations governing the approval of 584 contracts let for the construction and maintenance of state buildings and other state facilities as well as related contracts 585 586 for architectural and engineering services.

The provisions of this paragraph (b) shall not apply to such contracts involving buildings and other facilities of state institutions of higher learning which are self-administered as provided under this paragraph (b) or Section 37-101-15(m);

(C) Adopt regulations governing any lease or rental agreement by any state agency or department, including any state agency financed entirely by federal funds, for space outside the buildings under the jurisdiction of the Department of Finance and Administration. These regulations shall require each agency requesting to lease such space to provide the following information that shall be published by the Department of Finance and Administration on its website: the agency to lease the space; the terms of the lease; the approximate square feet to be leased; the use for the space; a description of a suitable space; the general location desired for the leased space; the contact information for a person from the agency; the deadline date for the agency to have received a lease proposal; any other specific terms or conditions of the agency; and any other information deemed appropriate by the Division of Real Property Management of

587

588

589

590

591

592

593

594

595

596

597

598

599

600

601

602

603

604

606 the Department of Finance and Administration or the Public

607 Procurement Review Board. The information shall be provided

608 sufficiently in advance of the time the space is needed to allow

609 the Division of Real Property Management of the Department of

610 Finance and Administration to review and preapprove the lease

611 before the time for advertisement begins;

612 Adopt, in its discretion, regulations to set aside

613 at least five percent (5%) of anticipated annual expenditures for

614 the purchase of commodities from minority businesses; however, all

such set-aside purchases shall comply with all purchasing 615

616 regulations promulgated by the department and shall be subject to

617 all bid requirements. Set-aside purchases for which competitive

618 bids are required shall be made from the lowest and best minority

619 business bidder; however, if no minority bid is available or if

the minority bid is more than two percent (2%) higher than the 620

621 lowest bid, then bids shall be accepted and awarded to the lowest

622 and best bidder. However, the provisions in this paragraph shall

623 not be construed to prohibit the rejection of a bid when only one

624 (1) bid is received. Such rejection shall be placed in the

625 minutes. For the purposes of this paragraph, the term "minority

626 business" means a business which is owned by a person who is a

627 citizen or lawful permanent resident of the United States and who

628 is:

629 (i) Black: having origins in any of the black

racial groups of Africa; 630

631	(ii) Hispanic: of Mexican, Puerto Rican, Cuban,
632	Central or South American, or other Spanish or Portuguese culture
633	or origin regardless of race;
634	(iii) Asian-American: having origins in any of
635	the original people of the Far East, Southeast Asia, the Indian
636	subcontinent, or the Pacific Islands;
637	(iv) American Indian or Alaskan Native: having
638	origins in any of the original people of North America; or
639	(v) Female;
640	(e) In consultation with and approval by the Chairs of
641	the Senate and House Public Property Committees, approve leases,
642	for a term not to exceed eighteen (18) months, entered into by
643	state agencies for the purpose of providing parking arrangements
644	for state employees who work in the Woolfolk Building, the Carroll
645	Gartin Justice Building or the Walter Sillers Office Building;
646	(f) Promulgate rules and regulations governing the
647	solicitation and selection of contractual services personnel,
648	including personal and professional services contracts for any
649	form of consulting, policy analysis, public relations, marketing,
650	public affairs, legislative advocacy services or any other
651	contract that the board deems appropriate for oversight, with the
652	exception of:
653	(i) Any personal service contracts entered into by
654	any agency that employs only nonstate service employees as defined

in Section 25-9-107(c) \* \* \*;

655

656	(ii) Any personal service contracts entered into
657	for computer or information technology-related services governed
658	by the Mississippi Department of Information Technology
659	Services * * * <u>;</u>
660	(iii) Any personal service contracts entered into
661	by the individual state institutions of higher learning * * $*$ ;
662	(iv) Any personal service contracts entered into
663	by the Mississippi Department of Transportation * * *;
664	(v) Any personal service contracts entered into by
665	the Department of Human Services through June 30, 2019, which the
666	Executive Director of the Department of Human Services determines
667	would be useful in establishing and operating the Department of
668	Child Protection Services * * *;
669	(vi) Any personal service contracts entered into
670	by the Department of Child Protection Services through June 30,
671	2019 * * * <u>;</u>
672	(vii) Any contracts for entertainers and/or
673	performers at the Mississippi State Fairgrounds entered into by
674	the Mississippi Fair Commission * * * <u>;</u>
675	(viii) Any contracts entered into by the
676	Department of Finance and Administration when procuring aircraft
677	maintenance, parts, equipment and/or services * * *;
678	(ix) Any contract entered into by the Department

679 of Public Safety for service on specialized equipment and/or

- 680 software required for the operation at such specialized equipment
- 681 for use by the Office of Forensics Laboratories \* \* \*;
- 682 (x) Any personal or professional service contract
- 683 entered into by the Mississippi Department of Health \* \* \* or the
- 684 Department of Revenue solely in connection with their respective
- 685 responsibilities under the Mississippi Medical Cannabis Act from
- 686 February 2, 2022, through June 30, \* \* \* 2026;
- 687 (xi) Any contract for attorney, accountant,
- 688 actuary auditor, architect, engineer, anatomical pathologist, or
- 689 utility rate expert services \* \* \*;
- 690 (xii) Any personal service contracts approved by
- 691 the Executive Director of the Department of Finance and
- 692 Administration and entered into by the Coordinator of Mental
- 693 Health Accessibility through June 30, 2022 \* \* \*;
- 694 (xiii) Any personal or professional services
- 695 contract entered into by the State Department of Health in
- 696 carrying out its responsibilities under the ARPA Rural Water
- 697 Associations Infrastructure Grant Program through June 30,
- 698 2026 \* \* \*; and
- 699 (xiv) Any personal or professional services
- 700 contract entered into by the Mississippi Department of
- 701 Environmental Quality in carrying out its responsibilities under
- 702 the Mississippi Municipality and County Water Infrastructure Grant
- 703 Program Act of 2022, through June 30, 2026.



705 continuous internal audit covering the activities of such agency 706 affecting its revenue and expenditures as required under Section 707 7-7-3(6)(d). Any rules and regulation changes related to personal 708 and professional services contracts that the Public Procurement 709 Review Board may propose shall be submitted to the Chairs of the 710 Accountability, Efficiency and Transparency Committees of the 711 Senate and House of Representatives and the Chairs of the 712 Appropriation Committees of the Senate and House of 713 Representatives at least fifteen (15) days before the board votes 714 on the proposed changes, and those rules and regulation changes, 715 if adopted, shall be promulgated in accordance with the 716 Mississippi Administrative Procedures Act; 717 Approve all personal and professional services 718 contracts involving the expenditures of funds in excess of 719 Seventy-five Thousand Dollars (\$75,000.00), except as provided in 720 paragraph (f) of this subsection (2) and in subsection (8); 721 Develop mandatory standards with respect to (h) 722 contractual services personnel that require invitations for public 723 bid, requests for proposals, record keeping and financial 724 responsibility of contractors. The Public Procurement Review 725 Board shall, unless exempted under this paragraph (h) or under 726 paragraph (i) or (o) of this subsection (2), require the agency 727 involved to submit the procurement to a competitive procurement

Any such rules and regulations shall provide for maintaining

- 728 process, and may reserve the right to reject any or all resulting 729 procurements;
- 730 (i) Prescribe certain circumstances by which agency
- 731 heads may enter into contracts for personal and professional
- 732 services without receiving prior approval from the Public
- 733 Procurement Review Board. The Public Procurement Review Board may
- 734 establish a preapproved list of providers of various personal and
- 735 professional services for set prices with which state agencies may
- 736 contract without bidding or prior approval from the board;
- 737 (i) Agency requirements may be fulfilled by
- 738 procuring services performed incident to the state's own programs.
- 739 The agency head shall determine in writing whether the price
- 740 represents a fair market value for the services. When the
- 741 procurements are made from other governmental entities, the
- 742 private sector need not be solicited; however, these contracts
- 743 shall still be submitted for approval to the Public Procurement
- 744 Review Board.
- 745 (ii) Contracts between two (2) state agencies,
- 746 both under Public Procurement Review Board purview, shall not
- 747 require Public Procurement Review Board approval. However, the
- 748 contracts shall still be entered into the enterprise resource
- 749 planning system;
- 750 (j) Provide standards for the issuance of requests for
- 751 proposals, the evaluation of proposals received, consideration of
- 752 costs and quality of services proposed, contract negotiations, the

- 753 administrative monitoring of contract performance by the agency
- 754 and successful steps in terminating a contract;
- 755 (k) Present recommendations for governmental
- 756 privatization and to evaluate privatization proposals submitted by
- 757 any state agency;
- 758 (1) Authorize personal and professional service
- 759 contracts to be effective for more than one (1) year provided a
- 760 funding condition is included in any such multiple year contract,
- 761 except the State Board of Education, which shall have the
- 762 authority to enter into contractual agreements for student
- 763 assessment for a period up to ten (10) years. The State Board of
- 764 Education shall procure these services in accordance with the
- 765 Public Procurement Review Board procurement regulations;
- 766 (m) Request the State Auditor to conduct a performance
- 767 audit on any personal or professional service contract;
- 768 (n) Prepare an annual report to the Legislature
- 769 concerning the issuance of personal and professional services
- 770 contracts during the previous year, collecting any necessary
- 771 information from state agencies in making such report;
- 772 (o) Develop and implement the following standards and
- 773 procedures for the approval of any sole source contract for
- 774 personal and professional services regardless of the value of the
- 775 procurement:



- (i) For the purposes of this paragraph (o), the
  term "sole source" means only one (1) source is available that can
  provide the required personal or professional service.
- 779 (ii) An agency that has been issued a binding,
  780 valid court order mandating that a particular source or provider
  781 must be used for the required service must include a copy of the
  782 applicable court order in all future sole source contract reviews
  783 for the particular personal or professional service referenced in
- the court order.

  (iii) Any agency alleging to have a sole source

  for any personal or professional service, other than those

  exempted under paragraph (f) of this subsection (2) and subsection

  (8), shall publish on the procurement portal website established
- 789 by Sections 25-53-151 and 27-104-165, for at least fourteen (14)

days, the terms of the proposed contract for those services. In

- 791 addition, the publication shall include, but is not limited to,
- 792 the following information:

- 793 1. The personal or professional service 794 offered in the contract;
- 2. An explanation of why the personal or professional service is the only one that can meet the needs of the agency;
- 3. An explanation of why the source is the only person or entity that can provide the required personal or professional service;

801				4.	An	ez	xplanation	of	why	the	amo	ount	to	be
802	expended	for	the	person	nal	or	profession	nal	serv	rice	is	reas	sona	ble;
803	and													

- 5. The efforts that the agency went through to obtain the best possible price for the personal or professional service.
- 807 If any person or entity objects and proposes (iv) 808 that the personal or professional service published under 809 subparagraph (iii) of this paragraph (o) is not a sole source service and can be provided by another person or entity, then the 810 811 objecting person or entity shall notify the Public Procurement 812 Review Board and the agency that published the proposed sole 813 source contract with a detailed explanation of why the personal or professional service is not a sole source service. 814
  - (v) 1. If the agency determines after review that the personal or professional service in the proposed sole source contract can be provided by another person or entity, then the agency must withdraw the sole source contract publication from the procurement portal website and submit the procurement of the personal or professional service to an advertised competitive bid or selection process.
- 2. If the agency determines after review that
  there is only one (1) source for the required personal or
  professional service, then the agency may appeal to the Public
  Procurement Review Board. The agency has the burden of proving

816

817

818

819

820

that the personal or professional service is only provided by one (1) source.

3. If the Public Procurement Review Board has any reasonable doubt as to whether the personal or professional service can only be provided by one (1) source, then the agency must submit the procurement of the personal or professional service to an advertised competitive bid or selection process. No action taken by the Public Procurement Review Board in this appeal process shall be valid unless approved by a majority of the members of the Public Procurement Review Board present and voting.

(vi) The Public Procurement Review Board shall prepare and submit a quarterly report to the House of Representatives and Senate Accountability, Efficiency and Transparency Committees that details the sole source contracts presented to the Public Procurement Review Board and the reasons that the Public Procurement Review Board approved or rejected each contract. These quarterly reports shall also include the documentation and memoranda required in subsection (4) of this section. An agency that submitted a sole source contract shall be prepared to explain the sole source contract to each committee by December 15 of each year upon request by the committee;

- 847 (p) Assess any fines and administrative penalties 848 provided for in Sections 31-7-401 through 31-7-423.
- 849 (3) All submissions shall be made sufficiently in advance of 850 each monthly meeting of the Public Procurement Review Board as

- 851 prescribed by the Public Procurement Review Board. If the Public 852 Procurement Review Board rejects any contract submitted for review 853 or approval, the Public Procurement Review Board shall clearly set 854 out the reasons for its action, including, but not limited to, the policy that the agency has violated in its submitted contract and 855 856 any corrective actions that the agency may take to amend the 857 contract to comply with the rules and regulations of the Public 858 Procurement Review Board.
- 859 (4) All sole source contracts for personal and professional 860 services awarded by state agencies, other than those exempted 861 under Section 27-104-7(2) (f) and (8), whether approved by an 862 agency head or the Public Procurement Review Board, shall contain 863 in the procurement file a written determination for the approval, 864 using a request form furnished by the Public Procurement Review 865 The written determination shall document the basis for the 866 determination, including any market analysis conducted in order to 867 ensure that the service required was practicably available from 868 only one (1) source. A memorandum shall accompany the request 869 form and address the following four (4) points:
- 870 (a) Explanation of why this service is the only service 871 that can meet the needs of the purchasing agency;
- 872 (b) Explanation of why this vendor is the only 873 practicably available source from which to obtain this service;
- 874 (c) Explanation of why the price is considered 875 reasonable; and



- (d) Description of the efforts that were made to conduct a noncompetitive negotiation to get the best possible price for the taxpayers.
- 879 (5)In conjunction with the State Personnel Board, the 880 Public Procurement Review Board shall develop and promulgate rules 881 and regulations to define the allowable legal relationship between 882 contract employees and the contracting departments, agencies and 883 institutions of state government under the jurisdiction of the 884 State Personnel Board, in compliance with the applicable rules and regulations of the federal Internal Revenue Service (IRS) for 885 886 federal employment tax purposes. Under these regulations, the 887 usual common law rules are applicable to determine and require 888 that such worker is an independent contractor and not an employee, 889 requiring evidence of lawful behavioral control, lawful financial 890 control and lawful relationship of the parties. Any state 891 department, agency or institution shall only be authorized to 892 contract for personnel services in compliance with those 893 regulations.
- (6) No member of the Public Procurement Review Board shall use his or her official authority or influence to coerce, by threat of discharge from employment, or otherwise, the purchase of commodities, the contracting for personal or professional services, or the contracting for public construction under this chapter.



- 900 (7) Notwithstanding any other laws or rules to the contrary, 901 the provisions of subsection (2) of this section shall not be 902 applicable to the Mississippi State Port Authority at Gulfport.
- 903 (8) Nothing in this section shall impair or limit the
  904 authority of the Board of Trustees of the Public Employees'
  905 Retirement System to enter into any personal or professional
  906 services contracts directly related to their constitutional
  907 obligation to manage the trust funds, including, but not limited
  908 to, actuarial, custodial banks, cash management, investment
  909 consultant and investment management contracts.
- 910 (9) Notwithstanding the exemption of personal and 911 professional services contracts entered into by the Department of 912 Human Services and personal and professional services contracts 913 entered into by the Department of Child Protection Services from 914 the provisions of this section under subsection (2)(f), before the 915 Department of Human Services or the Department of Child Protection 916 Services may enter into a personal or professional service 917 contract, the department(s) shall give notice of the proposed 918 personal or professional service contract to the Public 919 Procurement Review Board for any recommendations by the board. 920 Upon receipt of the notice, the board shall post the notice on its 921 website and on the procurement portal website established by Sections 25-53-151 and 27-104-165. If the board does not respond 922 923 to the department(s) within seven (7) calendar days after 924 receiving the notice, the department(s) may enter the proposed

- 925 personal or professional service contract. If the board responds 926 to the department(s) within seven (7) calendar days, then the 927 board has seven (7) calendar days from the date of its initial 928 response to provide any additional recommendations. After the end 929 of the second seven-day period, the department(s) may enter the 930 proposed personal or professional service contract. The board is 931 not authorized to disapprove any proposed personal or professional 932 services contracts. This subsection shall stand repealed on July 933 1, 2022.
- 934 **SECTION 6.** Section 31-7-13, Mississippi Code of 1972, is 935 amended as follows:
- 936 31-7-13. All agencies and governing authorities shall
  937 purchase their commodities and printing; contract for garbage
  938 collection or disposal; contract for solid waste collection or
  939 disposal; contract for sewage collection or disposal; contract for
  940 public construction; and contract for rentals as herein provided.
- 941 Bidding procedure for purchases not over \$5,000.00. (a) Purchases which do not involve an expenditure of more than Five 942 943 Thousand Dollars (\$5,000.00), exclusive of freight or shipping 944 charges, may be made without advertising or otherwise requesting 945 competitive bids. However, nothing contained in this paragraph 946 (a) shall be construed to prohibit any agency or governing 947 authority from establishing procedures which require competitive 948 bids on purchases of Five Thousand Dollars (\$5,000.00) or less.

949	(b) Bidding procedure for purchases over \$5,000.00 but
950	<pre>not over \$75,000.00. Purchases which involve an expenditure of</pre>
951	more than Five Thousand Dollars (\$5,000.00) but not more than
952	Seventy-five Thousand Dollars (\$75,000.00), exclusive of freight
953	and shipping charges, may be made from the lowest and best bidder
954	without publishing or posting advertisement for bids, provided at
955	least two (2) competitive written bids have been obtained. Any
956	state agency or community or junior college purchasing commodities
957	or procuring construction pursuant to this paragraph (b) may
958	authorize its purchasing agent, or his designee, to accept the
959	lowest competitive written bid under Seventy-five Thousand Dollars
960	(\$75,000.00). Any governing authority purchasing commodities
961	pursuant to this paragraph (b) may authorize its purchasing agent,
962	or his designee, with regard to governing authorities other than
963	counties, or its purchase clerk, or his designee, with regard to
964	counties, to accept the lowest and best competitive written bid.
965	Such authorization shall be made in writing by the governing
966	authority and shall be maintained on file in the primary office of
967	the agency and recorded in the official minutes of the governing
968	authority, as appropriate. The purchasing agent or the purchase
969	clerk, or his designee, as the case may be, and not the governing
970	authority, shall be liable for any penalties and/or damages as may
971	be imposed by law for any act or omission of the purchasing agent
972	or purchase clerk, or his designee, constituting a violation of
973	law in accepting any bid without approval by the governing

974 authority. The term "competitive written bid" shall mean a bid 975 submitted on a bid form furnished by the buying agency or 976 governing authority and signed by authorized personnel 977 representing the vendor, or a bid submitted on a vendor's 978 letterhead or identifiable bid form and signed by authorized 979 personnel representing the vendor. "Competitive" shall mean that 980 the bids are developed based upon comparable identification of the 981 needs and are developed independently and without knowledge of 982 other bids or prospective bids. Any bid item for construction in excess of Five Thousand Dollars (\$5,000.00) shall be broken down 983 984 by components to provide detail of component description and 985 These details shall be submitted with the written bids pricing. 986 and become part of the bid evaluation criteria. Bids may be 987 submitted by facsimile, electronic mail or other generally 988 accepted method of information distribution. Bids submitted by 989 electronic transmission shall not require the signature of the 990 vendor's representative unless required by agencies or governing 991 authorities.

- (c) Bidding procedure for purchases over \$75,000.00.
- 993 (i) Publication requirement.
  - 1. Purchases which involve an expenditure of more than Seventy-five Thousand Dollars (\$75,000.00), exclusive of freight and shipping charges, may be made from the lowest and best bidder after advertising for competitive bids once each week for two (2) consecutive weeks in a regular newspaper published in the



992

994

995

996

997

999 county or municipality in which such agency or governing authority 1000 is located. However, all American Recovery and Reinvestment Act projects in excess of Twenty-five Thousand Dollars (\$25,000.00) 1001 1002 shall be bid. All references to American Recovery and 1003 Reinvestment Act projects in this section shall not apply to 1004 programs identified in Division B of the American Recovery and 1005 Reinvestment Act.

1006 2. Reverse auctions shall be the primary 1007 method for receiving bids during the bidding process. purchasing entity determines that a reverse auction is not in the 1008 best interest of the state, then that determination must be 1009 1010 approved by the Public Procurement Review Board. The purchasing 1011 entity shall submit a detailed explanation of why a reverse 1012 auction would not be in the best interest of the state and present an alternative process to be approved by the Public Procurement 1013 1014 Review Board. If the Public Procurement Review Board authorizes 1015 the purchasing entity to solicit bids with a method other than 1016 reverse auction, then the purchasing entity may designate the 1017 other methods by which the bids will be received, including, but 1018 not limited to, bids sealed in an envelope, bids received 1019 electronically in a secure system, or bids received by any other 1020 method that promotes open competition and has been approved by the Office of Purchasing and Travel. However, reverse auction shall 1021 1022 not be used for any public contract for design, construction, 1023 improvement, repair or remodeling of any public facilities,

1024 including the purchase of materials, supplies, equipment or goods for same and including buildings, roads and bridges. 1025 1026 Procurement Review Board must approve any contract entered into by 1027 alternative process. The provisions of this item 2 shall not 1028 apply to the individual state institutions of higher learning. 1029 The provisions of this item 2 requiring reverse auction as the 1030 primary method of receiving bids shall not apply to term contract 1031 purchases as provided in paragraph (n) of this section; however, a 1032 purchasing entity may, in its discretion, utilize reverse auction for such purchases. The provisions of this item 2 shall not apply 1033 to individual public schools, including public charter schools and 1034 1035 public school districts, only when purchasing copyrighted 1036 educational supplemental materials and software as a service 1037 product. For such purchases, a local school board may authorize a purchasing entity in its jurisdiction to use a Request for 1038 1039 Qualifications which promotes open competition and meets the 1040 requirements of the Office of Purchasing and Travel. 1041 The date as published for the bid opening 3. 1042

shall not be less than seven (7) working days after the last published notice; however, if the purchase involves a construction project in which the estimated cost is in excess of Seventy-five Thousand Dollars (\$75,000.00), such bids shall not be opened in less than fifteen (15) working days after the last notice is published and the notice for the purchase of such construction shall be published once each week for two (2) consecutive weeks.

1043

1044

1045

1046

1047

1049 However, all American Recovery and Reinvestment Act projects in 1050 excess of Twenty-five Thousand Dollars (\$25,000.00) shall be bid. 1051 For any projects in excess of Twenty-five Thousand Dollars 1052 (\$25,000.00) under the American Recovery and Reinvestment Act, 1053 publication shall be made one (1) time and the bid opening for 1054 construction projects shall not be less than ten (10) working days 1055 after the date of the published notice. The notice of intention 1056 to let contracts or purchase equipment shall state the time and 1057 place at which bids shall be received, list the contracts to be 1058 made or types of equipment or supplies to be purchased, and, if 1059 all plans and/or specifications are not published, refer to the 1060 plans and/or specifications on file. If there is no newspaper 1061 published in the county or municipality, then such notice shall be 1062 given by posting same at the courthouse, or for municipalities at 1063 the city hall, and at two (2) other public places in the county or 1064 municipality, and also by publication once each week for two (2) 1065 consecutive weeks in some newspaper having a general circulation 1066 in the county or municipality in the above-provided manner. 1067 the same date that the notice is submitted to the newspaper for 1068 publication, the agency or governing authority involved shall mail 1069 written notice to, or provide electronic notification to the main 1070 office of the Mississippi Procurement Technical Assistance Program under the Mississippi Development Authority that contains the same 1071 1072 information as that in the published notice. Submissions received 1073 by the Mississippi Procurement Technical Assistance Program for



1074	projects funded by the American Recovery and Reinvestment Act
1075	shall be displayed on a separate and unique Internet web page
1076	accessible to the public and maintained by the Mississippi
1077	Development Authority for the Mississippi Procurement Technical
1078	Assistance Program. Those American Recovery and Reinvestment Act
1079	related submissions shall be publicly posted within twenty-four
1080	(24) hours of receipt by the Mississippi Development Authority and
1081	the bid opening shall not occur until the submission has been
1082	posted for ten (10) consecutive days. The Department of Finance
1083	and Administration shall maintain information regarding contracts
1084	and other expenditures from the American Recovery and Reinvestment
1085	Act, on a unique Internet web page accessible to the public. The
1086	Department of Finance and Administration shall promulgate rules
1087	regarding format, content and deadlines, unless otherwise
1088	specified by law, of the posting of award notices, contract
1089	execution and subsequent amendments, links to the contract
1090	documents, expenditures against the awarded contracts and general
1091	expenditures of funds from the American Recovery and Reinvestment
1092	Act. Within one (1) working day of the contract award, the agency
1093	or governing authority shall post to the designated web page
1094	maintained by the Department of Finance and Administration, notice
1095	of the award, including the award recipient, the contract amount,
1096	and a brief summary of the contract in accordance with rules
1097	promulgated by the department. Within one (1) working day of the
1098	contract execution, the agency or governing authority shall post



1099 to the designated web page maintained by the Department of Finance 1100 and Administration a summary of the executed contract and make a copy of the appropriately redacted contract documents available 1101 1102 for linking to the designated web page in accordance with the 1103 rules promulgated by the department. The information provided by 1104 the agency or governing authority shall be posted to the web page 1105 for the duration of the American Recovery and Reinvestment Act 1106 funding or until the project is completed, whichever is longer. 1107 Bidding process amendment procedure. (ii) 1108 plans and/or specifications are published in the notification, 1109 then the plans and/or specifications may not be amended. plans and/or specifications are not published in the notification, 1110 1111 then amendments to the plans/specifications, bid opening date, bid opening time and place may be made, provided that the agency or 1112 governing authority maintains a list of all prospective bidders 1113 1114 who are known to have received a copy of the bid documents and all 1115 such prospective bidders are sent copies of all amendments. notification of amendments may be made via mail, facsimile,

1116 1117 electronic mail or other generally accepted method of information 1118 distribution. No addendum to bid specifications may be issued 1119 within two (2) working days of the time established for the 1120 receipt of bids unless such addendum also amends the bid opening 1121 to a date not less than five (5) working days after the date of

the addendum.

(iii) Filing requirement. In all cases involving governing authorities, before the notice shall be published or posted, the plans or specifications for the construction or equipment being sought shall be filed with the clerk of the board of the governing authority. In addition to these requirements, a bid file shall be established which shall indicate those vendors to whom such solicitations and specifications were issued, and such file shall also contain such information as is pertinent to the bid.

## (iv) Specification restrictions.

1. Specifications pertinent to such bidding shall be written so as not to exclude comparable equipment of domestic manufacture. However, if valid justification is presented, the Department of Finance and Administration or the board of a governing authority may approve a request for specific equipment necessary to perform a specific job. Further, such justification, when placed on the minutes of the board of a governing authority, may serve as authority for that governing authority to write specifications to require a specific item of equipment needed to perform a specific job. In addition to these requirements, from and after July 1, 1990, vendors of relocatable classrooms and the specifications for the purchase of such relocatable classrooms published by local school boards shall meet all pertinent regulations of the State Board of Education,



1147 including prior approval of such bid by the State Department of 1148 Education.

Specifications for construction projects 1149 1150 may include an allowance for commodities, equipment, furniture, 1151 construction materials or systems in which prospective bidders are 1152 instructed to include in their bids specified amounts for such 1153 items so long as the allowance items are acquired by the vendor in 1154 a commercially reasonable manner and approved by the 1155 agency/governing authority. Such acquisitions shall not be made 1156 to circumvent the public purchasing laws.

Electronic bids. Agencies and governing authorities shall provide a secure electronic interactive system for the submittal of bids requiring competitive bidding that shall be an additional bidding option for those bidders who choose to submit their bids electronically. The Department of Finance and Administration shall provide, by regulation, the standards that agencies must follow when receiving electronic bids. Agencies and governing authorities shall make the appropriate provisions necessary to accept electronic bids from those bidders who choose to submit their bids electronically for all purchases requiring competitive bidding under this section. Any special condition or requirement for the electronic bid submission shall be specified in the advertisement for bids required by this section. Agencies or governing authorities that are currently without available high speed Internet access shall be exempt from the requirement of this

1157

1158

1159

1160

1161

1162

1163

1164

1165

1166

1167

1168

1169

1170

1172 subparagraph (v) until such time that high speed Internet access 1173 becomes available. Any county having a population of less than twenty thousand (20,000) shall be exempt from the provisions of 1174 1175 this subparagraph (v). Any municipality having a population of 1176 less than ten thousand (10,000) shall be exempt from the 1177 provisions of this subparagraph (v). The provisions of this subparagraph (v) shall not require any bidder to submit bids 1178 1179 electronically. When construction bids are submitted 1180 electronically, the requirement for including a certificate of 1181 responsibility, or a statement that the bid enclosed does not 1182 exceed Fifty Thousand Dollars (\$50,000.00), on the exterior of the 1183 bid envelope as indicated in Section 31-3-21(1) and (2) shall be 1184 deemed in compliance with by including same as an attachment with 1185 the electronic bid submittal.

## (d) Lowest and best bid decision procedure.

1187 (i) Decision procedure. Purchases may be made 1188 from the lowest and best bidder. In determining the lowest and best bid, freight and shipping charges shall be included. 1189 1190 Life-cycle costing, total cost bids, warranties, guaranteed 1191 buy-back provisions and other relevant provisions may be included 1192 in the best bid calculation. All best bid procedures for state 1193 agencies must be in compliance with regulations established by the 1194 Department of Finance and Administration. If any governing 1195 authority accepts a bid other than the lowest bid actually 1196 submitted, it shall place on its minutes detailed calculations and

narrative summary showing that the accepted bid was determined to
be the lowest and best bid, including the dollar amount of the
accepted bid and the dollar amount of the lowest bid. No agency
or governing authority shall accept a bid based on items not
included in the specifications.

1202 (ii) Decision procedure for Certified Purchasing 1203 In addition to the decision procedure set forth in Offices. 1204 subparagraph (i) of this paragraph (d), Certified Purchasing 1205 Offices may also use the following procedure: Purchases may be 1206 made from the bidder offering the best value. In determining the 1207 best value bid, freight and shipping charges shall be included. 1208 Life-cycle costing, total cost bids, warranties, guaranteed 1209 buy-back provisions, documented previous experience, training 1210 costs and other relevant provisions, including, but not limited 1211 to, a bidder having a local office and inventory located within 1212 the jurisdiction of the governing authority, may be included in 1213 the best value calculation. This provision shall authorize Certified Purchasing Offices to utilize a Request For Proposals 1214 1215 (RFP) process when purchasing commodities. All best value 1216 procedures for state agencies must be in compliance with 1217 regulations established by the Department of Finance and 1218 Administration. No agency or governing authority shall accept a 1219 bid based on items or criteria not included in the specifications.

(iii) Decision procedure for Mississippi

Landmarks. In addition to the decision procedure set forth in



1220

1222	subparagraph (i) of this paragraph (d), where purchase involves
1223	renovation, restoration, or both, of the State Capitol Building or
1224	any other historical building designated for at least five (5)
1225	years as a Mississippi Landmark by the Board of Trustees of the
1226	Department of Archives and History under the authority of Sections
1227	39-7-7 and 39-7-11, the agency or governing authority may use the
1228	following procedure: Purchases may be made from the lowest and
1229	best prequalified bidder. Prequalification of bidders shall be
1230	determined not less than fifteen (15) working days before the
1231	first published notice of bid opening. Prequalification criteria
1232	shall be limited to bidder's knowledge and experience in
1233	historical restoration, preservation and renovation. In
1234	determining the lowest and best bid, freight and shipping charges
1235	shall be included. Life-cycle costing, total cost bids,
1236	warranties, guaranteed buy-back provisions and other relevant
1237	provisions may be included in the best bid calculation. All best
1238	bid and prequalification procedures for state agencies must be in
1239	compliance with regulations established by the Department of
1240	Finance and Administration. If any governing authority accepts a
1241	bid other than the lowest bid actually submitted, it shall place
1242	on its minutes detailed calculations and narrative summary showing
1243	that the accepted bid was determined to be the lowest and best
1244	bid, including the dollar amount of the accepted bid and the
1245	dollar amount of the lowest bid. No agency or governing authority



1246 shall accept a bid based on items not included in the 1247 specifications.

Construction project negotiations authority. 1248

1249 If the lowest and best bid is not more than ten percent (10%) 1250 above the amount of funds allocated for a public construction or 1251 renovation project, then the agency or governing authority shall 1252 be permitted to negotiate with the lowest bidder in order to enter

into a contract for an amount not to exceed the funds allocated.

Lease-purchase authorization. For the purposes of (e)this section, the term "equipment" shall mean equipment, furniture and, if applicable, associated software and other applicable direct costs associated with the acquisition. Any lease-purchase of equipment which an agency is not required to lease-purchase under the master lease-purchase program pursuant to Section 31-7-10 and any lease-purchase of equipment which a governing authority elects to lease-purchase may be acquired by a lease-purchase agreement under this paragraph (e). Lease-purchase financing may also be obtained from the vendor or from a third-party source after having solicited and obtained at least two (2) written competitive bids, as defined in paragraph (b) of this section, for such financing without advertising for such Solicitation for the bids for financing may occur before or after acceptance of bids for the purchase of such equipment or, where no such bids for purchase are required, at any time before the purchase thereof. No such lease-purchase agreement shall be

1253

1254

1255

1256

1257

1258

1259

1260

1261

1262

1263

1264

1265

1266

1267

1268

1269

1271	for an annual rate of interest which is greater than the overall
1272	maximum interest rate to maturity on general obligation
1273	indebtedness permitted under Section 75-17-101, and the term of
1274	such lease-purchase agreement shall not exceed the useful life of
1275	equipment covered thereby as determined according to the upper
1276	limit of the asset depreciation range (ADR) guidelines for the
1277	Class Life Asset Depreciation Range System established by the
1278	Internal Revenue Service pursuant to the United States Internal
1279	Revenue Code and regulations thereunder as in effect on December
1280	31, 1980, or comparable depreciation guidelines with respect to
1281	any equipment not covered by ADR guidelines. Any lease-purchase
1282	agreement entered into pursuant to this paragraph (e) may contain
1283	any of the terms and conditions which a master lease-purchase
1284	agreement may contain under the provisions of Section 31-7-10(5),
1285	and shall contain an annual allocation dependency clause
1286	substantially similar to that set forth in Section $31-7-10(8)$ .
1287	Each agency or governing authority entering into a lease-purchase
1288	transaction pursuant to this paragraph (e) shall maintain with
1289	respect to each such lease-purchase transaction the same
1290	information as required to be maintained by the Department of
1291	Finance and Administration pursuant to Section 31-7-10(13).
1292	However, nothing contained in this section shall be construed to
1293	permit agencies to acquire items of equipment with a total
1294	acquisition cost in the aggregate of less than Ten Thousand
1295	Dollars (\$10,000.00) by a single lease-purchase transaction. All

- equipment, and the purchase thereof by any lessor, acquired by
  lease-purchase under this paragraph and all lease-purchase
  payments with respect thereto shall be exempt from all Mississippi
  sales, use and ad valorem taxes. Interest paid on any
  lease-purchase agreement under this section shall be exempt from
  State of Mississippi income taxation.
- 1302 Alternate bid authorization. When necessary to (f) 1303 ensure ready availability of commodities for public works and the 1304 timely completion of public projects, no more than two (2) 1305 alternate bids may be accepted by a governing authority for 1306 commodities. No purchases may be made through use of such alternate bids procedure unless the lowest and best bidder cannot 1307 deliver the commodities contained in his bid. In that event, 1308 1309 purchases of such commodities may be made from one (1) of the 1310 bidders whose bid was accepted as an alternate.
- 1311 Construction contract change authorization. 1312 event a determination is made by an agency or governing authority after a construction contract is let that changes or modifications 1313 1314 to the original contract are necessary or would better serve the purpose of the agency or the governing authority, such agency or 1315 1316 governing authority may, in its discretion, order such changes 1317 pertaining to the construction that are necessary under the 1318 circumstances without the necessity of further public bids; 1319 provided that such change shall be made in a commercially reasonable manner and shall not be made to circumvent the public 1320

1321 purchasing statutes. In addition to any other authorized person, 1322 the architect or engineer hired by an agency or governing authority with respect to any public construction contract shall 1323 1324 have the authority, when granted by an agency or governing 1325 authority, to authorize changes or modifications to the original 1326 contract without the necessity of prior approval of the agency or 1327 governing authority when any such change or modification is less 1328 than one percent (1%) of the total contract amount. The agency or 1329 governing authority may limit the number, manner or frequency of 1330 such emergency changes or modifications.

1331 (h) Petroleum purchase alternative. In addition to 1332 other methods of purchasing authorized in this chapter, when any 1333 agency or governing authority shall have a need for gas, diesel fuel, oils and/or other petroleum products in excess of the amount 1334 set forth in paragraph (a) of this section, such agency or 1335 1336 governing authority may purchase the commodity after having 1337 solicited and obtained at least two (2) competitive written bids, as defined in paragraph (b) of this section. If two (2) 1338 1339 competitive written bids are not obtained, the entity shall comply 1340 with the procedures set forth in paragraph (c) of this section. 1341 In the event any agency or governing authority shall have 1342 advertised for bids for the purchase of gas, diesel fuel, oils and other petroleum products and coal and no acceptable bids can be 1343 1344 obtained, such agency or governing authority is authorized and 1345 directed to enter into any negotiations necessary to secure the

1346 lowest and best contract available for the purchase of such commodities.

Road construction petroleum products price 1348 1349 adjustment clause authorization. Any agency or governing 1350 authority authorized to enter into contracts for the construction, 1351 maintenance, surfacing or repair of highways, roads or streets, 1352 may include in its bid proposal and contract documents a price 1353 adjustment clause with relation to the cost to the contractor, 1354 including taxes, based upon an industry-wide cost index, of 1355 petroleum products including asphalt used in the performance or 1356 execution of the contract or in the production or manufacture of 1357 materials for use in such performance. Such industry-wide index 1358 shall be established and published monthly by the Mississippi Department of Transportation with a copy thereof to be mailed, 1359 1360 upon request, to the clerks of the governing authority of each 1361 municipality and the clerks of each board of supervisors 1362 throughout the state. The price adjustment clause shall be based on the cost of such petroleum products only and shall not include 1363 1364 any additional profit or overhead as part of the adjustment. The 1365 bid proposals or document contract shall contain the basis and 1366 methods of adjusting unit prices for the change in the cost of 1367 such petroleum products.

(j) State agency emergency purchase procedure. If the governing board or the executive head, or his designees, of any agency of the state shall determine that an emergency exists in

1368

1369

1371 regard to the purchase of any commodities or repair contracts, so 1372 that the delay incident to giving opportunity for competitive bidding would be detrimental to the interests of the state, then 1373 1374 the head of such agency, or his designees, shall file with the 1375 Department of Finance and Administration (i) a statement 1376 explaining the conditions and circumstances of the emergency, 1377 which shall include a detailed description of the events leading 1378 up to the situation and the negative impact to the entity if the 1379 purchase is made following the statutory requirements set forth in 1380 paragraph (a), (b) or (c) of this section, and (ii) a certified 1381 copy of the appropriate minutes of the board of such agency 1382 requesting the emergency purchase, if applicable. Upon receipt of 1383 the statement and applicable board certification, the State Fiscal 1384 Officer, or his designees, may, in writing, authorize the purchase 1385 or repair without having to comply with competitive bidding 1386 requirements.

If the governing board or the executive head, or his designees, of any agency determines that an emergency exists in regard to the purchase of any commodities or repair contracts, so that the delay incident to giving opportunity for competitive bidding would threaten the health or safety of any person, or the preservation or protection of property, then the provisions in this section for competitive bidding shall not apply, and any officer or agent of the agency having general or specific authority for making the purchase or repair contract shall approve



1387

1388

1389

1390

1391

1392

1393

1394

the bill presented for payment, and he shall certify in writing from whom the purchase was made, or with whom the repair contract was made.

1399 Total purchases made under this paragraph (j) shall only be 1400 for the purpose of meeting needs created by the emergency 1401 situation. Following the emergency purchase, documentation of the 1402 purchase, including a description of the commodity purchased, the 1403 purchase price thereof and the nature of the emergency shall be 1404 filed with the Department of Finance and Administration. 1405 contract awarded pursuant to this paragraph (j) shall not exceed a 1406 term of one (1) year.

Purchases under the grant program established under Section 37-68-7 in response to COVID-19 and the directive that school districts create a distance learning plan and fulfill technology needs expeditiously shall be deemed an emergency purchase for purposes of this paragraph (j).

(k) Governing authority emergency purchase procedure.

If the governing authority, or the governing authority acting through its designee, shall determine that an emergency exists in regard to the purchase of any commodities or repair contracts, so that the delay incident to giving opportunity for competitive bidding would be detrimental to the interest of the governing authority, then the provisions herein for competitive bidding shall not apply and any officer or agent of such governing authority having general or special authority therefor in making

1407

1408

1409

1410

1411

1412

1413

1414

1415

1416

1417

1418

1419

1421 such purchase or repair shall approve the bill presented therefor, 1422 and he shall certify in writing thereon from whom such purchase 1423 was made, or with whom such a repair contract was made. 1424 board meeting next following the emergency purchase or repair 1425 contract, documentation of the purchase or repair contract, 1426 including a description of the commodity purchased, the price 1427 thereof and the nature of the emergency shall be presented to the 1428 board and shall be placed on the minutes of the board of such 1429 governing authority. Purchases under the grant program established under Section 37-68-7 in response to COVID-19 and the 1430 directive that school districts create a distance learning plan 1431 1432 and fulfill technology needs expeditiously shall be deemed an 1433 emergency purchase for purposes of this paragraph (k).

## 1434 (1) Hospital purchase, lease-purchase and lease 1435 authorization.

- 1436 (i) The commissioners or board of trustees of any public hospital may contract with such lowest and best bidder for the purchase or lease-purchase of any commodity under a contract of purchase or lease-purchase agreement whose obligatory payment terms do not exceed five (5) years.
- (ii) In addition to the authority granted in subparagraph (i) of this paragraph (l), the commissioners or board of trustees is authorized to enter into contracts for the lease of equipment or services, or both, which it considers necessary for the proper care of patients if, in its opinion, it is not



1446	financially feasible to purchase the necessary equipment or
1447	services. Any such contract for the lease of equipment or
1448	services executed by the commissioners or board shall not exceed a
1449	maximum of five (5) years' duration and shall include a
1450	cancellation clause based on unavailability of funds. If such
1451	cancellation clause is exercised, there shall be no further
1452	liability on the part of the lessee. Any such contract for the
1453	lease of equipment or services executed on behalf of the
1454	commissioners or board that complies with the provisions of this
1455	subparagraph (ii) shall be excepted from the bid requirements set
1456	forth in this section.

- 1457 (m) **Exceptions from bidding requirements.** Excepted 1458 from bid requirements are:
- 1459 (i) Purchasing agreements approved by department.

  1460 Purchasing agreements, contracts and maximum price regulations

  1461 executed or approved by the Department of Finance and

  1462 Administration.
- 1463 (ii) Outside equipment repairs. Repairs to 1464 equipment, when such repairs are made by repair facilities in the 1465 private sector; however, engines, transmissions, rear axles and/or 1466 other such components shall not be included in this exemption when 1467 replaced as a complete unit instead of being repaired and the need for such total component replacement is known before disassembly 1468 1469 of the component; however, invoices identifying the equipment, specific repairs made, parts identified by number and name, 1470



supplies used in such repairs, and the number of hours of labor and costs therefor shall be required for the payment for such repairs.

1474 (iii) In-house equipment repairs. Purchases of
1475 parts for repairs to equipment, when such repairs are made by
1476 personnel of the agency or governing authority; however, entire
1477 assemblies, such as engines or transmissions, shall not be
1478 included in this exemption when the entire assembly is being
1479 replaced instead of being repaired.

1480 (iv) Raw gravel or dirt. Raw unprocessed deposits
1481 of gravel or fill dirt which are to be removed and transported by
1482 the purchaser.

1483 Governmental equipment auctions.  $(\nabla)$ 1484 vehicles or other equipment purchased from a federal agency or 1485 authority, another governing authority or state agency of the 1486 State of Mississippi, or any governing authority or state agency 1487 of another state at a public auction held for the purpose of disposing of such vehicles or other equipment. Any purchase by a 1488 1489 governing authority under the exemption authorized by this 1490 subparagraph (v) shall require advance authorization spread upon 1491 the minutes of the governing authority to include the listing of 1492 the item or items authorized to be purchased and the maximum bid 1493 authorized to be paid for each item or items.

1494 (vi) Intergovernmental sales and transfers.

1495 Purchases, sales, transfers or trades by governing authorities or

- 1496 state agencies when such purchases, sales, transfers or trades are 1497 made by a private treaty agreement or through means of negotiation, from any federal agency or authority, another 1498 governing authority or state agency of the State of Mississippi, 1499 1500 or any state agency or governing authority of another state. 1501 Nothing in this section shall permit such purchases through public 1502 auction except as provided for in subparagraph (v) of this 1503 paragraph (m). It is the intent of this section to allow 1504 governmental entities to dispose of and/or purchase commodities 1505 from other governmental entities at a price that is agreed to by 1506 both parties. This shall allow for purchases and/or sales at 1507 prices which may be determined to be below the market value if the 1508 selling entity determines that the sale at below market value is 1509 in the best interest of the taxpayers of the state. Governing 1510 authorities shall place the terms of the agreement and any 1511 justification on the minutes, and state agencies shall obtain 1512 approval from the Department of Finance and Administration, prior to releasing or taking possession of the commodities. 1513 1514 Perishable supplies or food. Perishable (vii) 1515 supplies or food purchased for use in connection with hospitals,
- 1516 the school lunch programs, homemaking programs and for the feeding 1517 of county or municipal prisoners.
- 1518 (viii) Single-source items. Noncompetitive items 1519 available from one (1) source only. In connection with the 1520 purchase of noncompetitive items only available from one (1)



1521	source, a certification of the conditions and circumstances
1522	requiring the purchase shall be filed by the agency with the
1523	Department of Finance and Administration and by the governing
1524	authority with the board of the governing authority. Upon receipt
1525	of that certification the Department of Finance and Administration
1526	or the board of the governing authority, as the case may be, may,
1527	in writing, authorize the purchase, which authority shall be noted
1528	on the minutes of the body at the next regular meeting thereafter.
1529	In those situations, a governing authority is not required to
1530	obtain the approval of the Department of Finance and
1531	Administration. Following the purchase, the executive head of the
1532	state agency, or his designees, shall file with the Department of
1533	Finance and Administration, documentation of the purchase,
1534	including a description of the commodity purchased, the purchase
1535	price thereof and the source from whom it was purchased.
1536	(ix) Waste disposal facility construction
1537	contracts. Construction of incinerators and other facilities for
1538	disposal of solid wastes in which products either generated
1539	therein, such as steam, or recovered therefrom, such as materials
1540	for recycling, are to be sold or otherwise disposed of; however,
1541	in constructing such facilities, a governing authority or agency
1542	shall publicly issue requests for proposals, advertised for in the
1543	same manner as provided herein for seeking bids for public
1544	construction projects, concerning the design, construction,

ownership, operation and/or maintenance of such facilities,

546	wherein such requests for proposals when issued shall contain
547	terms and conditions relating to price, financial responsibility,
548	technology, environmental compatibility, legal responsibilities
549	and such other matters as are determined by the governing
550	authority or agency to be appropriate for inclusion; and after
551	responses to the request for proposals have been duly received,
552	the governing authority or agency may select the most qualified
553	proposal or proposals on the basis of price, technology and other
554	relevant factors and from such proposals, but not limited to the
555	terms thereof, negotiate and enter contracts with one or more of
556	the persons or firms submitting proposals.

- 1557 (x) Hospital group purchase contracts. Supplies,
  1558 commodities and equipment purchased by hospitals through group
  1559 purchase programs pursuant to Section 31-7-38.
- 1560 (xi) Information technology products. Purchases
  1561 of information technology products made by governing authorities
  1562 under the provisions of purchase schedules, or contracts executed
  1563 or approved by the Mississippi Department of Information
  1564 Technology Services and designated for use by governing
  1565 authorities.
- 1566 (xii) Energy efficiency services and equipment.

  1567 Energy efficiency services and equipment acquired by school

  1568 districts, community and junior colleges, institutions of higher

  1569 learning and state agencies or other applicable governmental



- 1570 entities on a shared-savings, lease or lease-purchase basis
- 1571 pursuant to Section 31-7-14.
- 1572 (xiii) Municipal electrical utility system fuel.
- 1573 Purchases of coal and/or natural gas by municipally owned electric
- 1574 power generating systems that have the capacity to use both coal
- 1575 and natural gas for the generation of electric power.
- 1576 Library books and other reference materials. (xiv)
- 1577 Purchases by libraries or for libraries of books and periodicals;
- 1578 processed film, videocassette tapes, filmstrips and slides;
- 1579 recorded audiotapes, cassettes and diskettes; and any such items
- 1580 as would be used for teaching, research or other information
- 1581 distribution; however, equipment such as projectors, recorders,
- 1582 audio or video equipment, and monitor televisions are not exempt
- under this subparagraph. 1583
- (xv) Unmarked vehicles. Purchases of unmarked 1584
- 1585 vehicles when such purchases are made in accordance with
- 1586 purchasing regulations adopted by the Department of Finance and
- Administration pursuant to Section 31-7-9(2). 1587
- 1588 (xvi) Election ballots. Purchases of ballots
- 1589 printed pursuant to Section 23-15-351.
- 1590 (xvii) Multichannel interactive video systems.
- 1591 From and after July 1, 1990, contracts by Mississippi Authority
- 1592 for Educational Television with any private educational
- institution or private nonprofit organization whose purposes are 1593
- 1594 educational in regard to the construction, purchase, lease or



1595	lease-purchase of facilities and equipment and the employment of
1596	personnel for providing multichannel interactive video systems
1597	(ITSF) in the school districts of this state.

the Department of Corrections, regional correctional facilities or privately owned prisons. Purchases made by the Mississippi Department of Corrections, regional correctional facilities or privately owned prisons involving any item that is manufactured, processed, grown or produced from the state's prison industries.

of surveillance equipment or any other high-tech equipment to be used by law enforcement agents in undercover operations, provided that any such purchase shall be in compliance with regulations established by the Department of Finance and Administration.

(xx) Junior college books for rent. Purchases by community or junior colleges of textbooks which are obtained for the purpose of renting such books to students as part of a book service system.

1613 (xxi) Certain school district purchases.

Purchases of commodities made by school districts from vendors with which any levying authority of the school district, as defined in Section 37-57-1, has contracted through competitive bidding procedures for purchases of the same commodities.

1618 (xxii) Garbage, solid waste and sewage contracts.

Contracts for garbage collection or disposal, contracts for solid



L620	waste collection or disposal and contracts for sewage collection
L621	or disposal.
L622	(xxiii) Municipal water tank maintenance
L623	contracts. Professional maintenance program contracts for the
L624	repair or maintenance of municipal water tanks, which provide
L625	professional services needed to maintain municipal water storage
L626	tanks for a fixed annual fee for a duration of two (2) or more
L627	years.
L628	(xxiv) Purchases of Mississippi Industries for the
L629	Blind products or services. Purchases made by state agencies or
L630	governing authorities involving any item that is manufactured,
L631	processed or produced by, or any services provided by, the
L632	Mississippi Industries for the Blind.
L633	(xxy) Purchases of state-adopted textbooks.
L634	Purchases of state-adopted textbooks by public school districts.
L635	(xxvi) Certain purchases under the Mississippi
L636	Major Economic Impact Act. Contracts entered into pursuant to the
L637	provisions of Section $57-75-9(2)$ , $(3)$ and $(4)$ .
L638	(xxvii) Used heavy or specialized machinery or
L639	equipment for installation of soil and water conservation
L640	practices purchased at auction. Used heavy or specialized
L641	machinery or equipment used for the installation and
L642	implementation of soil and water conservation practices or
L643	measures purchased subject to the restrictions provided in
L644	Sections 69-27-331 through 69-27-341. Any purchase by the State



1644

1645	Soil and Water Conservation Commission under the exemption
1646	authorized by this subparagraph shall require advance
1647	authorization spread upon the minutes of the commission to include
1648	the listing of the item or items authorized to be purchased and
1649	the maximum bid authorized to be paid for each item or items.
1650	(xxviii) Hospital lease of equipment or services.
1651	Leases by hospitals of equipment or services if the leases are in
1652	compliance with paragraph (1)(ii).
1653	(xxix) Purchases made pursuant to qualified
1654	cooperative purchasing agreements. Purchases made by certified
1655	purchasing offices of state agencies or governing authorities
1656	under cooperative purchasing agreements previously approved by the
1657	Office of Purchasing and Travel and established by or for any
1658	municipality, county, parish or state government or the federal
1659	government, provided that the notification to potential
1660	contractors includes a clause that sets forth the availability of
1661	the cooperative purchasing agreement to other governmental
1662	entities. Such purchases shall only be made if the use of the
1663	cooperative purchasing agreements is determined to be in the best
1664	interest of the governmental entity.
1665	(xxx) School yearbooks. Purchases of school
1666	yearbooks by state agencies or governing authorities; * * *
1667	however, * * * state agencies and governing authorities shall use



for these purchases the RFP process as set forth in the

- 1669 Mississippi Procurement Manual adopted by the Office of Purchasing
- 1670 and Travel.
- 1671 (xxxi) Design-build method of contracting and
- 1672 certain other contracts. Contracts entered into under the
- 1673 provisions of Section 31-7-13.1, 37-101-44 or 65-1-85.
- 1674 (xxxii) Toll roads and bridge construction
- 1675 **projects.** Contracts entered into under the provisions of Section
- 1676 65-43-1 or 65-43-3.
- 1677 (xxxiii) Certain purchases under Section 57-1-221.
- 1678 Contracts entered into pursuant to the provisions of Section
- 1679 57-1-221.
- 1680 (xxxiv) Certain transfers made pursuant to the
- 1681 **provisions of Section 57-105-1(7).** Transfers of public property
- 1682 or facilities under Section 57-105-1(7) and construction related
- 1683 to such public property or facilities.
- 1684 (xxxv) Certain purchases or transfers entered into
- 1685 with local electrical power associations. Contracts or agreements
- 1686 entered into under the provisions of Section 55-3-33.
- 1687 (xxxvi) Certain purchases by an academic medical
- 1688 center or health sciences school. Purchases by an academic
- 1689 medical center or health sciences school, as defined in Section
- 1690 37-115-50, of commodities that are used for clinical purposes and
- 1691 1. intended for use in the diagnosis of disease or other
- 1692 conditions or in the cure, mitigation, treatment or prevention of
- 1693 disease, and 2. medical devices, biological, drugs and

- 1694 radiation-emitting devices as defined by the United States Food 1695 and Drug Administration.
- 1696 (xxxvii) Certain purchases made under the Alyce G.
- 1697 Clarke Mississippi Lottery Law. Contracts made by the Mississippi
- 1698 Lottery Corporation pursuant to the Alyce G. Clarke Mississippi
- 1699 Lottery Law.
- 1700 (xxxviii) Certain purchases made by the Department
- 1701 of Health and the Department of Revenue. Purchases made by the
- 1702 Department of Health \* \* \* and the Department of Revenue solely
- 1703 for the purpose of fulfilling their respective responsibilities
- 1704 under the Mississippi Medical Cannabis Act. This subparagraph
- 1705 shall stand repealed on June 30, \* \* \* 2026.
- 1706 (n) **Term contract authorization.** All contracts for the
- 1707 purchase of:
- 1708 (i) All contracts for the purchase of commodities,
- 1709 equipment and public construction (including, but not limited to,
- 1710 repair and maintenance), may be let for periods of not more than
- 1711 sixty (60) months in advance, subject to applicable statutory
- 1712 provisions prohibiting the letting of contracts during specified
- 1713 periods near the end of terms of office. Term contracts for a
- 1714 period exceeding twenty-four (24) months shall also be subject to
- 1715 ratification or cancellation by governing authority boards taking
- 1716 office subsequent to the governing authority board entering the
- 1717 contract.



(ii) Bid proposals and contracts may include price
adjustment clauses with relation to the cost to the contractor
based upon a nationally published industry-wide or nationally
published and recognized cost index. The cost index used in a
price adjustment clause shall be determined by the Department of
Finance and Administration for the state agencies and by the
governing board for governing authorities. The bid proposal and
contract documents utilizing a price adjustment clause shall
contain the basis and method of adjusting unit prices for the
change in the cost of such commodities, equipment and public
construction.

penalty. No contract or purchase as herein authorized shall be made for the purpose of circumventing the provisions of this section requiring competitive bids, nor shall it be lawful for any person or concern to submit individual invoices for amounts within those authorized for a contract or purchase where the actual value of the contract or commodity purchased exceeds the authorized amount and the invoices therefor are split so as to appear to be authorized as purchases for which competitive bids are not required. Submission of such invoices shall constitute a misdemeanor punishable by a fine of not less than Five Hundred Dollars (\$500.00) nor more than One Thousand Dollars (\$1,000.00), or by imprisonment for thirty (30) days in the county jail, or



- both such fine and imprisonment. In addition, the claim or claims submitted shall be forfeited.
- 1744 (p) Electrical utility petroleum-based equipment
  1745 purchase procedure. When in response to a proper advertisement
  1746 therefor, no bid firm as to price is submitted to an electric
  1747 utility for power transformers, distribution transformers, power
  1748 breakers, reclosers or other articles containing a petroleum
  1749 product, the electric utility may accept the lowest and best bid
  1750 therefor although the price is not firm.
- 1751 (q) Fuel management system bidding procedure. 1752 governing authority or agency of the state shall, before 1753 contracting for the services and products of a fuel management or 1754 fuel access system, enter into negotiations with not fewer than 1755 two (2) sellers of fuel management or fuel access systems for 1756 competitive written bids to provide the services and products for 1757 the systems. In the event that the governing authority or agency 1758 cannot locate two (2) sellers of such systems or cannot obtain bids from two (2) sellers of such systems, it shall show proof 1759 1760 that it made a diligent, good-faith effort to locate and negotiate 1761 with two (2) sellers of such systems. Such proof shall include, 1762 but not be limited to, publications of a request for proposals and 1763 letters soliciting negotiations and bids. For purposes of this 1764 paragraph (q), a fuel management or fuel access system is an 1765 automated system of acquiring fuel for vehicles as well as 1766 management reports detailing fuel use by vehicles and drivers, and

the term "competitive written bid" shall have the meaning as
defined in paragraph (b) of this section. Governing authorities
and agencies shall be exempt from this process when contracting
for the services and products of fuel management or fuel access
systems under the terms of a state contract established by the
Office of Purchasing and Travel.

1773 Solid waste contract proposal procedure. 1774 entering into any contract for garbage collection or disposal, 1775 contract for solid waste collection or disposal or contract for 1776 sewage collection or disposal, which involves an expenditure of 1777 more than Seventy-five Thousand Dollars (\$75,000.00), a governing 1778 authority or agency shall issue publicly a request for proposals 1779 concerning the specifications for such services which shall be 1780 advertised for in the same manner as provided in this section for 1781 seeking bids for purchases which involve an expenditure of more 1782 than the amount provided in paragraph (c) of this section. 1783 request for proposals when issued shall contain terms and 1784 conditions relating to price, financial responsibility, 1785 technology, legal responsibilities and other relevant factors as 1786 are determined by the governing authority or agency to be 1787 appropriate for inclusion; all factors determined relevant by the 1788 governing authority or agency or required by this paragraph (r) 1789 shall be duly included in the advertisement to elicit proposals. 1790 After responses to the request for proposals have been duly received, the governing authority or agency shall select the most 1791

1792 qualified proposal or proposals on the basis of price, technology 1793 and other relevant factors and from such proposals, but not 1794 limited to the terms thereof, negotiate and enter into contracts 1795 with one or more of the persons or firms submitting proposals. If 1796 the governing authority or agency deems none of the proposals to 1797 be qualified or otherwise acceptable, the request for proposals 1798 process may be reinitiated. Notwithstanding any other provisions 1799 of this paragraph, where a county with at least thirty-five 1800 thousand (35,000) nor more than forty thousand (40,000) population, according to the 1990 federal decennial census, owns 1801 or operates a solid waste landfill, the governing authorities of 1802 1803 any other county or municipality may contract with the governing 1804 authorities of the county owning or operating the landfill, 1805 pursuant to a resolution duly adopted and spread upon the minutes of each governing authority involved, for garbage or solid waste 1806 1807 collection or disposal services through contract negotiations.

any provision of this section to the contrary, any agency or governing authority, by order placed on its minutes, may, in its discretion, set aside not more than twenty percent (20%) of its anticipated annual expenditures for the purchase of commodities from minority businesses; however, all such set-aside purchases shall comply with all purchasing regulations promulgated by the Department of Finance and Administration and shall be subject to bid requirements under this section. Set-aside purchases for



1808

1809

1810

1811

1812

1813

1814

1815

101/	which competitive bids are required shall be made from the lowest
1818	and best minority business bidder. For the purposes of this
1819	paragraph, the term "minority business" means a business which is
1820	owned by a majority of persons who are United States citizens or
1821	permanent resident aliens (as defined by the Immigration and
1822	Naturalization Service) of the United States, and who are Asian,
1823	Black, Hispanic or Native American, according to the following
1824	definitions:

- 1825 (i) "Asian" means persons having origins in any of
  1826 the original people of the Far East, Southeast Asia, the Indian
  1827 subcontinent, or the Pacific Islands.
- 1828 (ii) "Black" means persons having origins in any 1829 black racial group of Africa.
- 1830 (iii) "Hispanic" means persons of Spanish or
  1831 Portuguese culture with origins in Mexico, South or Central
  1832 America, or the Caribbean Islands, regardless of race.
- 1833 (iv) "Native American" means persons having
  1834 origins in any of the original people of North America, including
  1835 American Indians, Eskimos and Aleuts.
- 1836 (t) Construction punch list restriction. The

  1837 architect, engineer or other representative designated by the

  1838 agency or governing authority that is contracting for public

  1839 construction or renovation may prepare and submit to the

  1840 contractor only one (1) preliminary punch list of items that do

  1841 not meet the contract requirements at the time of substantial



1842 completion and one (1) final list immediately before final 1843 completion and final payment.

- 1844 Procurement of construction services by state (u) institutions of higher learning. Contracts for privately financed 1845 1846 construction of auxiliary facilities on the campus of a state 1847 institution of higher learning may be awarded by the Board of Trustees of State Institutions of Higher Learning to the lowest 1848 1849 and best bidder, where sealed bids are solicited, or to the 1850 offeror whose proposal is determined to represent the best value 1851 to the citizens of the State of Mississippi, where requests for 1852 proposals are solicited.
- 1853 Insurability of bidders for public construction or 1854 other public contracts. In any solicitation for bids to perform 1855 public construction or other public contracts to which this 1856 section applies, including, but not limited to, contracts for 1857 repair and maintenance, for which the contract will require 1858 insurance coverage in an amount of not less than One Million 1859 Dollars (\$1,000,000.00), bidders shall be permitted to either 1860 submit proof of current insurance coverage in the specified amount 1861 or demonstrate ability to obtain the required coverage amount of 1862 insurance if the contract is awarded to the bidder. Proof of 1863 insurance coverage shall be submitted within five (5) business 1864 days from bid acceptance.

1865	(W) Purchase authorization clarification.	Nothing in
1866	this section shall be construed as authorizing any pure	chase not
1867	authorized by law.	

1868 **SECTION 7.** This act shall take effect and be in force from 1869 and after July 1, 2023.

## Further, amend by striking the title in its entirety and inserting in lieu thereof the following:

AN ACT TO AMEND SECTION 25-9-107, MISSISSIPPI CODE OF 1972, 2 TO EXTEND THE DATE OF THE REPEALER ON THE PROVISION OF LAW EXCLUDING FROM THE STATE SERVICE THOSE EMPLOYEES OF THE STATE DEPARTMENT OF HEALTH AND THE DEPARTMENT OF REVENUE WHOSE 5 EMPLOYMENT IS SOLELY RELATED TO THE MISSISSIPPI MEDICAL CANNABIS ACT; TO AMEND SECTION 25-43-1.103, MISSISSIPPI CODE OF 1972, TO EXTEND THE DATE OF THE REPEALER ON THOSE DEPARTMENTS' EXEMPTION 8 FROM THE MISSISSIPPI ADMINISTRATIVE PROCEDURES LAW FOR PURPOSES 9 RELATED TO THE MISSISSIPPI MEDICAL CANNABIS ACT; TO AMEND SECTIONS 10 25-53-1 AND 25-53-5 (AS AMENDED BY SENATE BILL NO. 2728, 2023 11 REGULAR SESSION), MISSISSIPPI CODE OF 1972, TO EXTEND THE DATE OF 12 THOSE DEPARTMENTS' EXEMPTION FOR PURPOSES RELATED TO THE 13 MISSISSIPPI MEDICAL CANNABIS ACT FROM THE BID AND CONTRACT 14 REQUIREMENTS OF THE MISSISSIPPI DEPARTMENT OF INFORMATION 15 TECHNOLOGY SERVICES; TO AMEND SECTION 27-104-7, MISSISSIPPI CODE 16 OF 1972, TO EXTEND THE DATE OF THE EXEMPTION FOR THOSE 17 DEPARTMENTS' PERSONAL AND PROFESSIONAL SERVICE CONTRACTS RELATING 18 TO THE MISSISSIPPI MEDICAL CANNABIS ACT FROM THE REQUIREMENTS OF 19 THE PUBLIC PROCUREMENT REVIEW BOARD; TO AMEND SECTION 31-7-13, 20 MISSISSIPPI CODE OF 1972, TO EXTEND THE DATE OF THE REPEALER ON 21 THE EXEMPTION FROM STATE BID REQUIREMENTS FOR PURCHASES MADE BY 22 THOSE DEPARTMENTS IN CONNECTION WITH THEIR RESPONSIBILITIES UNDER 23 THE MISSISSIPPI MEDICAL CANNABIS ACT; TO INCLUDE SERVICES PROVIDED 24 BY THE MISSISSIPPI INDUSTRIES FOR THE BLIND IN THE EXCEPTIONS FROM 25 BIDDING REQUIREMENTS; AND FOR RELATED PURPOSES.

