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To: State Affairs;
Technology

HOUSE BILL NO. 297
(As Sent to Governor)

1 AN ACT TO AMEND SECTION 31-7-13, MISSISSIPPI CODE OF 1972, TO
2 REQUIRE THE DEPARTMENT OF FINANCE AND ADMINISTRATION TO DEVELOP
3 AND IMPLEMENT A PROCESS THAT CREATES A PREFERRED VENDOR LIST FOR
4 DISASTER DEBRIS REMOVAL AND MONITORING; TO AMEND SECTION 31-7-67,
5 MISSISSIPPI CODE OF 1972, TO STIPULATE THAT THE PROVISIONS OF THIS
6 SECTION SHALL NOT APPLY TO SMALL UNMANNED AIRCRAFT SYSTEMS
7 MANUFACTURED IN THE PEOPLE'S REPUBLIC OF CHINA AND PURCHASED PRIOR
8 TO JANUARY 1, 2025; AND FOR RELATED PURPOSES.

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

10 **SECTION 1.** Section 31-7-13, Mississippi Code of 1972, is
11 amended as follows:

12 31-7-13. All agencies and governing authorities shall
13 purchase their commodities and printing; contract for garbage
14 collection or disposal; contract for solid waste collection or
15 disposal; contract for sewage collection or disposal; contract for
16 public construction; and contract for rentals as herein provided.

17 (a) **Bidding procedure for purchases not over \$5,000.00.**
18 Purchases which do not involve an expenditure of more than Five
19 Thousand Dollars (\$5,000.00), exclusive of freight or shipping
20 charges, may be made without advertising or otherwise requesting
21 competitive bids. However, nothing contained in this paragraph



22 (a) shall be construed to prohibit any agency or governing
23 authority from establishing procedures which require competitive
24 bids on purchases of Five Thousand Dollars (\$5,000.00) or less.

25 (b) **Bidding procedure for purchases over \$5,000.00 but**
26 **not over \$75,000.00.** Purchases which involve an expenditure of
27 more than Five Thousand Dollars (\$5,000.00) but not more than
28 Seventy-five Thousand Dollars (\$75,000.00), exclusive of freight
29 and shipping charges, may be made from the lowest and best bidder
30 without publishing or posting advertisement for bids, provided at
31 least two (2) competitive written bids have been obtained. Any
32 state agency or community or junior college purchasing commodities
33 or procuring construction pursuant to this paragraph (b) may
34 authorize its purchasing agent, or his designee, to accept the
35 lowest competitive written bid under Seventy-five Thousand Dollars
36 (\$75,000.00). Any governing authority purchasing commodities
37 pursuant to this paragraph (b) may authorize its purchasing agent,
38 or his designee, with regard to governing authorities other than
39 counties, or its purchase clerk, or his designee, with regard to
40 counties, to accept the lowest and best competitive written bid.
41 Such authorization shall be made in writing by the governing
42 authority and shall be maintained on file in the primary office of
43 the agency and recorded in the official minutes of the governing
44 authority, as appropriate. The purchasing agent or the purchase
45 clerk, or his designee, as the case may be, and not the governing
46 authority, shall be liable for any penalties and/or damages as may



47 be imposed by law for any act or omission of the purchasing agent
48 or purchase clerk, or his designee, constituting a violation of
49 law in accepting any bid without approval by the governing
50 authority. The term "competitive written bid" shall mean a bid
51 submitted on a bid form furnished by the buying agency or
52 governing authority and signed by authorized personnel
53 representing the vendor, or a bid submitted on a vendor's
54 letterhead or identifiable bid form and signed by authorized
55 personnel representing the vendor. "Competitive" shall mean that
56 the bids are developed based upon comparable identification of the
57 needs and are developed independently and without knowledge of
58 other bids or prospective bids. Any bid item for construction in
59 excess of Five Thousand Dollars (\$5,000.00) shall be broken down
60 by components to provide detail of component description and
61 pricing. These details shall be submitted with the written bids
62 and become part of the bid evaluation criteria. Bids may be
63 submitted by facsimile, electronic mail or other generally
64 accepted method of information distribution. Bids submitted by
65 electronic transmission shall not require the signature of the
66 vendor's representative unless required by agencies or governing
67 authorities.

68 (c) **Bidding procedure for purchases over \$75,000.00.**

69 (i) **Publication requirement.**

70 1. Purchases which involve an expenditure of
71 more than Seventy-five Thousand Dollars (\$75,000.00), exclusive of



72 freight and shipping charges, may be made from the lowest and best
73 bidder after advertising for competitive bids once each week for
74 two (2) consecutive weeks in a regular newspaper published in the
75 county or municipality in which such agency or governing authority
76 is located. However, all American Recovery and Reinvestment Act
77 projects in excess of Twenty-five Thousand Dollars (\$25,000.00)
78 shall be bid. All references to American Recovery and
79 Reinvestment Act projects in this section shall not apply to
80 programs identified in Division B of the American Recovery and
81 Reinvestment Act.

82 2. Reverse auctions shall be the primary
83 method for receiving bids during the bidding process. If a
84 purchasing entity determines that a reverse auction is not in the
85 best interest of the state, then that determination must be
86 approved by the Public Procurement Review Board. The purchasing
87 entity shall submit a detailed explanation of why a reverse
88 auction would not be in the best interest of the state and present
89 an alternative process to be approved by the Public Procurement
90 Review Board. If the Public Procurement Review Board authorizes
91 the purchasing entity to solicit bids with a method other than
92 reverse auction, then the purchasing entity may designate the
93 other methods by which the bids will be received, including, but
94 not limited to, bids sealed in an envelope, bids received
95 electronically in a secure system, or bids received by any other
96 method that promotes open competition and has been approved by the



97 Office of Purchasing and Travel. However, reverse auction shall
98 not be used for any public contract for design, construction,
99 improvement, repair or remodeling of any public facilities,
100 including the purchase of materials, supplies, equipment or goods
101 for same and including buildings, roads and bridges. The Public
102 Procurement Review Board must approve any contract entered into by
103 alternative process. The provisions of this item 2 shall not
104 apply to the individual state institutions of higher learning.
105 The provisions of this item 2 requiring reverse auction as the
106 primary method of receiving bids shall not apply to term contract
107 purchases as provided in paragraph (n) of this section; however, a
108 purchasing entity may, in its discretion, utilize reverse auction
109 for such purchases. The provisions of this item 2 shall not apply
110 to individual public schools, including public charter schools and
111 public school districts, only when purchasing copyrighted
112 educational supplemental materials and software as a service
113 product. For such purchases, a local school board may authorize a
114 purchasing entity in its jurisdiction to use a Request for
115 Qualifications which promotes open competition and meets the
116 requirements of the Office of Purchasing and Travel.

117 3. The date as published for the bid opening
118 shall not be less than seven (7) working days after the last
119 published notice; however, if the purchase involves a construction
120 project in which the estimated cost is in excess of Seventy-five
121 Thousand Dollars (\$75,000.00), such bids shall not be opened in



122 less than fifteen (15) working days after the last notice is
123 published and the notice for the purchase of such construction
124 shall be published once each week for two (2) consecutive weeks.
125 However, all American Recovery and Reinvestment Act projects in
126 excess of Twenty-five Thousand Dollars (\$25,000.00) shall be bid.
127 For any projects in excess of Twenty-five Thousand Dollars
128 (\$25,000.00) under the American Recovery and Reinvestment Act,
129 publication shall be made one (1) time and the bid opening for
130 construction projects shall not be less than ten (10) working days
131 after the date of the published notice. The notice of intention
132 to let contracts or purchase equipment shall state the time and
133 place at which bids shall be received, list the contracts to be
134 made or types of equipment or supplies to be purchased, and, if
135 all plans and/or specifications are not published, refer to the
136 plans and/or specifications on file. If there is no newspaper
137 published in the county or municipality, then such notice shall be
138 given by posting same at the courthouse, or for municipalities at
139 the city hall, and at two (2) other public places in the county or
140 municipality, and also by publication once each week for two (2)
141 consecutive weeks in some newspaper having a general circulation
142 in the county or municipality in the above-provided manner. On
143 the same date that the notice is submitted to the newspaper for
144 publication, the agency or governing authority involved shall mail
145 written notice to, or provide electronic notification to the main
146 office of the Mississippi Procurement Technical Assistance Program



147 under the Mississippi Development Authority that contains the same
148 information as that in the published notice. Submissions received
149 by the Mississippi Procurement Technical Assistance Program for
150 projects funded by the American Recovery and Reinvestment Act
151 shall be displayed on a separate and unique Internet web page
152 accessible to the public and maintained by the Mississippi
153 Development Authority for the Mississippi Procurement Technical
154 Assistance Program. Those American Recovery and Reinvestment Act
155 related submissions shall be publicly posted within twenty-four
156 (24) hours of receipt by the Mississippi Development Authority and
157 the bid opening shall not occur until the submission has been
158 posted for ten (10) consecutive days. The Department of Finance
159 and Administration shall maintain information regarding contracts
160 and other expenditures from the American Recovery and Reinvestment
161 Act, on a unique Internet web page accessible to the public. The
162 Department of Finance and Administration shall promulgate rules
163 regarding format, content and deadlines, unless otherwise
164 specified by law, of the posting of award notices, contract
165 execution and subsequent amendments, links to the contract
166 documents, expenditures against the awarded contracts and general
167 expenditures of funds from the American Recovery and Reinvestment
168 Act. Within one (1) working day of the contract award, the agency
169 or governing authority shall post to the designated web page
170 maintained by the Department of Finance and Administration, notice
171 of the award, including the award recipient, the contract amount,



172 and a brief summary of the contract in accordance with rules
173 promulgated by the department. Within one (1) working day of the
174 contract execution, the agency or governing authority shall post
175 to the designated web page maintained by the Department of Finance
176 and Administration a summary of the executed contract and make a
177 copy of the appropriately redacted contract documents available
178 for linking to the designated web page in accordance with the
179 rules promulgated by the department. The information provided by
180 the agency or governing authority shall be posted to the web page
181 for the duration of the American Recovery and Reinvestment Act
182 funding or until the project is completed, whichever is longer.

183 (ii) **Bidding process amendment procedure.** If all
184 plans and/or specifications are published in the notification,
185 then the plans and/or specifications may not be amended. If all
186 plans and/or specifications are not published in the notification,
187 then amendments to the plans/specifications, bid opening date, bid
188 opening time and place may be made, provided that the agency or
189 governing authority maintains a list of all prospective bidders
190 who are known to have received a copy of the bid documents and all
191 such prospective bidders are sent copies of all amendments. This
192 notification of amendments may be made via mail, facsimile,
193 electronic mail or other generally accepted method of information
194 distribution. No addendum to bid specifications may be issued
195 within two (2) working days of the time established for the
196 receipt of bids unless such addendum also amends the bid opening



197 to a date not less than five (5) working days after the date of
198 the addendum.

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

208 (iv) **Specification restrictions.**

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



222 all pertinent regulations of the State Board of Education,
223 including prior approval of such bid by the State Department of
224 Education.

225 2. Specifications for construction projects
226 may include an allowance for commodities, equipment, furniture,
227 construction materials or systems in which prospective bidders are
228 instructed to include in their bids specified amounts for such
229 items so long as the allowance items are acquired by the vendor in
230 a commercially reasonable manner and approved by the
231 agency/governing authority. Such acquisitions shall not be made
232 to circumvent the public purchasing laws.

233 (v) **Electronic bids.** Agencies and governing
234 authorities shall provide a secure electronic interactive system
235 for the submittal of bids requiring competitive bidding that shall
236 be an additional bidding option for those bidders who choose to
237 submit their bids electronically. The Department of Finance and
238 Administration shall provide, by regulation, the standards that
239 agencies must follow when receiving electronic bids. Agencies and
240 governing authorities shall make the appropriate provisions
241 necessary to accept electronic bids from those bidders who choose
242 to submit their bids electronically for all purchases requiring
243 competitive bidding under this section. Any special condition or
244 requirement for the electronic bid submission shall be specified
245 in the advertisement for bids required by this section. Agencies
246 or governing authorities that are currently without available



247 high-speed Internet access shall be exempt from the requirement of
248 this subparagraph (v) until such time that high-speed Internet
249 access becomes available. Any county having a population of less
250 than twenty thousand (20,000) shall be exempt from the provisions
251 of this subparagraph (v). Any municipality having a population of
252 less than ten thousand (10,000) shall be exempt from the
253 provisions of this subparagraph (v). The provisions of this
254 subparagraph (v) shall not require any bidder to submit bids
255 electronically. When construction bids are submitted
256 electronically, the requirement for including a certificate of
257 responsibility, or a statement that the bid enclosed does not
258 exceed Fifty Thousand Dollars (\$50,000.00), on the exterior of the
259 bid envelope as indicated in Section 31-3-21(1) and (2) shall be
260 deemed in compliance with by including same as an attachment with
261 the electronic bid submittal.

262 (d) **Lowest and best bid decision procedure.**

263 (i) **Decision procedure.** Purchases may be made
264 from the lowest and best bidder. In determining the lowest and
265 best bid, freight and shipping charges shall be included.
266 Life-cycle costing, total cost bids, warranties, guaranteed
267 buy-back provisions and other relevant provisions may be included
268 in the best bid calculation. All best bid procedures for state
269 agencies must be in compliance with regulations established by the
270 Department of Finance and Administration. If any governing
271 authority accepts a bid other than the lowest bid actually



272 submitted, it shall place on its minutes detailed calculations and
273 narrative summary showing that the accepted bid was determined to
274 be the lowest and best bid, including the dollar amount of the
275 accepted bid and the dollar amount of the lowest bid. No agency
276 or governing authority shall accept a bid based on items not
277 included in the specifications.

278 (ii) **Decision procedure for Certified Purchasing**
279 **Offices.** In addition to the decision procedure set forth in
280 subparagraph (i) of this paragraph (d), Certified Purchasing
281 Offices may also use the following procedure: Purchases may be
282 made from the bidder offering the best value. In determining the
283 best value bid, freight and shipping charges shall be included.
284 Life-cycle costing, total cost bids, warranties, guaranteed
285 buy-back provisions, documented previous experience, training
286 costs and other relevant provisions, including, but not limited
287 to, a bidder having a local office and inventory located within
288 the jurisdiction of the governing authority, may be included in
289 the best value calculation. This provision shall authorize
290 Certified Purchasing Offices to utilize a Request For Proposals
291 (RFP) process when purchasing commodities. All best value
292 procedures for state agencies must be in compliance with
293 regulations established by the Department of Finance and
294 Administration. No agency or governing authority shall accept a
295 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 subparagraph (i) of this paragraph (d), where purchase involves renovation, restoration, or both, of the State Capitol Building or any other historical building designated for at least five (5) years as a Mississippi Landmark by the Board of Trustees of the Department of Archives and History under the authority of Sections 39-7-7 and 39-7-11, the agency or governing authority may use the following procedure: Purchases may be made from the lowest and best prequalified bidder. Prequalification of bidders shall be determined not less than fifteen (15) working days before the first published notice of bid opening. Prequalification criteria shall be limited to bidder's knowledge and experience in historical restoration, preservation and renovation. In determining the lowest and best bid, freight and shipping charges shall be included. Life-cycle costing, total cost bids, warranties, guaranteed buy-back provisions and other relevant provisions may be included in the best bid calculation. All best bid and prequalification procedures for state agencies must be in compliance with regulations established by the Department of Finance and Administration. If any governing authority accepts a bid other than the lowest bid actually 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



321 dollar amount of the lowest bid. No agency or governing authority
322 shall accept a bid based on items not included in the
323 specifications.

324 (iv) **Construction project negotiations authority.**

325 If the lowest and best bid is not more than ten percent (10%)
326 above the amount of funds allocated for a public construction or
327 renovation project, then the agency or governing authority shall
328 be permitted to negotiate with the lowest bidder in order to enter
329 into a contract for an amount not to exceed the funds allocated.

330 (e) **Lease-purchase authorization.** For the purposes of
331 this section, the term "equipment" shall mean equipment, furniture
332 and, if applicable, associated software and other applicable
333 direct costs associated with the acquisition. Any lease-purchase
334 of equipment which an agency is not required to lease-purchase
335 under the master lease-purchase program pursuant to Section
336 31-7-10 and any lease-purchase of equipment which a governing
337 authority elects to lease-purchase may be acquired by a
338 lease-purchase agreement under this paragraph (e). Lease-purchase
339 financing may also be obtained from the vendor or from a
340 third-party source after having solicited and obtained at least
341 two (2) written competitive bids, as defined in paragraph (b) of
342 this section, for such financing without advertising for such
343 bids. Solicitation for the bids for financing may occur before or
344 after acceptance of bids for the purchase of such equipment or,
345 where no such bids for purchase are required, at any time before



346 the purchase thereof. No such lease-purchase agreement shall be
347 for an annual rate of interest which is greater than the overall
348 maximum interest rate to maturity on general obligation
349 indebtedness permitted under Section 75-17-101, and the term of
350 such lease-purchase agreement shall not exceed the useful life of
351 equipment covered thereby as determined according to the upper
352 limit of the asset depreciation range (ADR) guidelines for the
353 Class Life Asset Depreciation Range System established by the
354 Internal Revenue Service pursuant to the United States Internal
355 Revenue Code and regulations thereunder as in effect on December
356 31, 1980, or comparable depreciation guidelines with respect to
357 any equipment not covered by ADR guidelines. Any lease-purchase
358 agreement entered into pursuant to this paragraph (e) may contain
359 any of the terms and conditions which a master lease-purchase
360 agreement may contain under the provisions of Section 31-7-10(5),
361 and shall contain an annual allocation dependency clause
362 substantially similar to that set forth in Section 31-7-10(8).
363 Each agency or governing authority entering into a lease-purchase
364 transaction pursuant to this paragraph (e) shall maintain with
365 respect to each such lease-purchase transaction the same
366 information as required to be maintained by the Department of
367 Finance and Administration pursuant to Section 31-7-10(13).
368 However, nothing contained in this section shall be construed to
369 permit agencies to acquire items of equipment with a total
370 acquisition cost in the aggregate of less than Ten Thousand



371 Dollars (\$10,000.00) by a single lease-purchase transaction. All
372 equipment, and the purchase thereof by any lessor, acquired by
373 lease-purchase under this paragraph and all lease-purchase
374 payments with respect thereto shall be exempt from all Mississippi
375 sales, use and ad valorem taxes. Interest paid on any
376 lease-purchase agreement under this section shall be exempt from
377 State of Mississippi income taxation.

378 (f) **Alternate bid authorization.** When necessary to
379 ensure ready availability of commodities for public works and the
380 timely completion of public projects, no more than two (2)
381 alternate bids may be accepted by a governing authority for
382 commodities. No purchases may be made through use of such
383 alternate bids procedure unless the lowest and best bidder cannot
384 deliver the commodities contained in his bid. In that event,
385 purchases of such commodities may be made from one (1) of the
386 bidders whose bid was accepted as an alternate.

387 (g) **Construction contract change authorization.** In the
388 event a determination is made by an agency or governing authority
389 after a construction contract is let that changes or modifications
390 to the original contract are necessary or would better serve the
391 purpose of the agency or the governing authority, such agency or
392 governing authority may, in its discretion, order such changes
393 pertaining to the construction that are necessary under the
394 circumstances without the necessity of further public bids;
395 provided that such change shall be made in a commercially



396 reasonable manner and shall not be made to circumvent the public
397 purchasing statutes. In addition to any other authorized person,
398 the architect or engineer hired by an agency or governing
399 authority with respect to any public construction contract shall
400 have the authority, when granted by an agency or governing
401 authority, to authorize changes or modifications to the original
402 contract without the necessity of prior approval of the agency or
403 governing authority when any such change or modification is less
404 than one percent (1%) of the total contract amount. The agency or
405 governing authority may limit the number, manner or frequency of
406 such emergency changes or modifications.

407 (h) **Petroleum purchase alternative.** In addition to
408 other methods of purchasing authorized in this chapter, when any
409 agency or governing authority shall have a need for gas, diesel
410 fuel, oils and/or other petroleum products in excess of the amount
411 set forth in paragraph (a) of this section, such agency or
412 governing authority may purchase the commodity after having
413 solicited and obtained at least two (2) competitive written bids,
414 as defined in paragraph (b) of this section. If two (2)
415 competitive written bids are not obtained, the entity shall comply
416 with the procedures set forth in paragraph (c) of this section.
417 In the event any agency or governing authority shall have
418 advertised for bids for the purchase of gas, diesel fuel, oils and
419 other petroleum products and coal and no acceptable bids can be
420 obtained, such agency or governing authority is authorized and



421 directed to enter into any negotiations necessary to secure the
422 lowest and best contract available for the purchase of such
423 commodities.

424 (i) **Road construction petroleum products price**
425 **adjustment clause authorization.** Any agency or governing
426 authority authorized to enter into contracts for the construction,
427 maintenance, surfacing or repair of highways, roads or streets,
428 may include in its bid proposal and contract documents a price
429 adjustment clause with relation to the cost to the contractor,
430 including taxes, based upon an industry-wide cost index, of
431 petroleum products including asphalt used in the performance or
432 execution of the contract or in the production or manufacture of
433 materials for use in such performance. Such industry-wide index
434 shall be established and published monthly by the Mississippi
435 Department of Transportation with a copy thereof to be mailed,
436 upon request, to the clerks of the governing authority of each
437 municipality and the clerks of each board of supervisors
438 throughout the state. The price adjustment clause shall be based
439 on the cost of such petroleum products only and shall not include
440 any additional profit or overhead as part of the adjustment. The
441 bid proposals or document contract shall contain the basis and
442 methods of adjusting unit prices for the change in the cost of
443 such petroleum products.

444 (j) **State agency emergency purchase procedure.** If the
445 governing board or the executive head, or his designees, of any



446 agency of the state shall determine that an emergency exists in
447 regard to the purchase of any commodities or repair contracts, so
448 that the delay incident to giving opportunity for competitive
449 bidding would be detrimental to the interests of the state, then
450 the head of such agency, or his designees, shall file with the
451 Department of Finance and Administration (i) a statement
452 explaining the conditions and circumstances of the emergency,
453 which shall include a detailed description of the events leading
454 up to the situation and the negative impact to the entity if the
455 purchase is made following the statutory requirements set forth in
456 paragraph (a), (b) or (c) of this section, and (ii) a certified
457 copy of the appropriate minutes of the board of such agency
458 requesting the emergency purchase, if applicable. Upon receipt of
459 the statement and applicable board certification, the State Fiscal
460 Officer, or his designees, may, in writing, authorize the purchase
461 or repair without having to comply with competitive bidding
462 requirements.

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



471 authority for making the purchase or repair contract shall approve
472 the bill presented for payment, and he shall certify in writing
473 from whom the purchase was made, or with whom the repair contract
474 was made.

475 Total purchases made under this paragraph (j) shall only be
476 for the purpose of meeting needs created by the emergency
477 situation. Following the emergency purchase, documentation of the
478 purchase, including a description of the commodity purchased, the
479 purchase price thereof and the nature of the emergency shall be
480 filed with the Department of Finance and Administration. Any
481 contract awarded pursuant to this paragraph (j) shall not exceed a
482 term of one (1) year.

483 Purchases under the grant program established under Section
484 37-68-7 in response to COVID-19 and the directive that school
485 districts create a distance learning plan and fulfill technology
486 needs expeditiously shall be deemed an emergency purchase for
487 purposes of this paragraph (j).

488 (k) **Governing authority emergency purchase procedure.**

489 If the governing authority, or the governing authority acting
490 through its designee, shall determine that an emergency exists in
491 regard to the purchase of any commodities or repair contracts, so
492 that the delay incident to giving opportunity for competitive
493 bidding would be detrimental to the interest of the governing
494 authority, then the provisions herein for competitive bidding
495 shall not apply and any officer or agent of such governing



496 authority having general or special authority therefor in making
497 such purchase or repair shall approve the bill presented therefor,
498 and he shall certify in writing thereon from whom such purchase
499 was made, or with whom such a repair contract was made. At the
500 board meeting next following the emergency purchase or repair
501 contract, documentation of the purchase or repair contract,
502 including a description of the commodity purchased, the price
503 thereof and the nature of the emergency shall be presented to the
504 board and shall be placed on the minutes of the board of such
505 governing authority. Purchases under the grant program
506 established under Section 37-68-7 in response to COVID-19 and the
507 directive that school districts create a distance learning plan
508 and fulfill technology needs expeditiously shall be deemed an
509 emergency purchase for purposes of this paragraph (k).

510 (1) **Hospital purchase, lease-purchase and lease**
511 **authorization.**

512 (i) The commissioners or board of trustees of any
513 public hospital may contract with such lowest and best bidder for
514 the purchase or lease-purchase of any commodity under a contract
515 of purchase or lease-purchase agreement whose obligatory payment
516 terms do not exceed five (5) years.

517 (ii) In addition to the authority granted in
518 subparagraph (i) of this paragraph (1), the commissioners or board
519 of trustees is authorized to enter into contracts for the lease of
520 equipment or services, or both, which it considers necessary for



521 the proper care of patients if, in its opinion, it is not
522 financially feasible to purchase the necessary equipment or
523 services. Any such contract for the lease of equipment or
524 services executed by the commissioners or board shall not exceed a
525 maximum of five (5) years' duration and shall include a
526 cancellation clause based on unavailability of funds. If such
527 cancellation clause is exercised, there shall be no further
528 liability on the part of the lessee. Any such contract for the
529 lease of equipment or services executed on behalf of the
530 commissioners or board that complies with the provisions of this
531 subparagraph (ii) shall be excepted from the bid requirements set
532 forth in this section.

533 (m) **Exceptions from bidding requirements.** Excepted
534 from bid requirements are:

535 (i) **Purchasing agreements approved by department.**
536 Purchasing agreements, contracts and maximum price regulations
537 executed or approved by the Department of Finance and
538 Administration.

539 (ii) **Outside equipment repairs.** Repairs to
540 equipment, when such repairs are made by repair facilities in the
541 private sector; however, engines, transmissions, rear axles and/or
542 other such components shall not be included in this exemption when
543 replaced as a complete unit instead of being repaired and the need
544 for such total component replacement is known before disassembly
545 of the component; however, invoices identifying the equipment,



546 specific repairs made, parts identified by number and name,
547 supplies used in such repairs, and the number of hours of labor
548 and costs therefor shall be required for the payment for such
549 repairs.

550 (iii) **In-house equipment repairs.** Purchases of
551 parts for repairs to equipment, when such repairs are made by
552 personnel of the agency or governing authority; however, entire
553 assemblies, such as engines or transmissions, shall not be
554 included in this exemption when the entire assembly is being
555 replaced instead of being repaired.

556 (iv) **Raw gravel or dirt.** Raw unprocessed deposits
557 of gravel or fill dirt which are to be removed and transported by
558 the purchaser.

559 (v) **Governmental equipment auctions.** Motor
560 vehicles or other equipment purchased from a federal agency or
561 authority, another governing authority or state agency of the
562 State of Mississippi, or any governing authority or state agency
563 of another state at a public auction held for the purpose of
564 disposing of such vehicles or other equipment. Any purchase by a
565 governing authority under the exemption authorized by this
566 subparagraph (v) shall require advance authorization spread upon
567 the minutes of the governing authority to include the listing of
568 the item or items authorized to be purchased and the maximum bid
569 authorized to be paid for each item or items.



570 (vi) **Intergovernmental sales and transfers.**
571 Purchases, sales, transfers or trades by governing authorities or
572 state agencies when such purchases, sales, transfers or trades are
573 made by a private treaty agreement or through means of
574 negotiation, from any federal agency or authority, another
575 governing authority or state agency of the State of Mississippi,
576 or any state agency or governing authority of another state.
577 Nothing in this section shall permit such purchases through public
578 auction except as provided for in subparagraph (v) of this
579 paragraph (m). It is the intent of this section to allow
580 governmental entities to dispose of and/or purchase commodities
581 from other governmental entities at a price that is agreed to by
582 both parties. This shall allow for purchases and/or sales at
583 prices which may be determined to be below the market value if the
584 selling entity determines that the sale at below market value is
585 in the best interest of the taxpayers of the state. Governing
586 authorities shall place the terms of the agreement and any
587 justification on the minutes, and state agencies shall obtain
588 approval from the Department of Finance and Administration, prior
589 to releasing or taking possession of the commodities.

590 (vii) **Perishable supplies or food.** Perishable
591 supplies or food purchased for use in connection with hospitals,
592 the school lunch programs, homemaking programs and for the feeding
593 of county or municipal prisoners.



594 (viii) **Single-source items.** Noncompetitive items
595 available from one (1) source only. In connection with the
596 purchase of noncompetitive items only available from one (1)
597 source, a certification of the conditions and circumstances
598 requiring the purchase shall be filed by the agency with the
599 Department of Finance and Administration and by the governing
600 authority with the board of the governing authority. Upon receipt
601 of that certification the Department of Finance and Administration
602 or the board of the governing authority, as the case may be, may,
603 in writing, authorize the purchase, which authority shall be noted
604 on the minutes of the body at the next regular meeting thereafter.
605 In those situations, a governing authority is not required to
606 obtain the approval of the Department of Finance and
607 Administration. Following the purchase, the executive head of the
608 state agency, or his designees, shall file with the Department of
609 Finance and Administration, documentation of the purchase,
610 including a description of the commodity purchased, the purchase
611 price thereof and the source from whom it was purchased.

612 (ix) **Waste disposal facility construction**
613 **contracts.** Construction of incinerators and other facilities for
614 disposal of solid wastes in which products either generated
615 therein, such as steam, or recovered therefrom, such as materials
616 for recycling, are to be sold or otherwise disposed of; however,
617 in constructing such facilities, a governing authority or agency
618 shall publicly issue requests for proposals, advertised for in the



619 same manner as provided herein for seeking bids for public
620 construction projects, concerning the design, construction,
621 ownership, operation and/or maintenance of such facilities,
622 wherein such requests for proposals when issued shall contain
623 terms and conditions relating to price, financial responsibility,
624 technology, environmental compatibility, legal responsibilities
625 and such other matters as are determined by the governing
626 authority or agency to be appropriate for inclusion; and after
627 responses to the request for proposals have been duly received,
628 the governing authority or agency may select the most qualified
629 proposal or proposals on the basis of price, technology and other
630 relevant factors and from such proposals, but not limited to the
631 terms thereof, negotiate and enter contracts with one or more of
632 the persons or firms submitting proposals.

633 (x) **Hospital group purchase contracts.** Supplies,
634 commodities and equipment purchased by hospitals through group
635 purchase programs pursuant to Section 31-7-38.

636 (xi) **Information technology products.** Purchases
637 of information technology products made by governing authorities
638 under the provisions of purchase schedules, or contracts executed
639 or approved by the Mississippi Department of Information
640 Technology Services and designated for use by governing
641 authorities.

642 (xii) **Energy efficiency services and equipment.**
643 Energy efficiency services and equipment acquired by school



644 districts, community and junior colleges, institutions of higher
645 learning and state agencies or other applicable governmental
646 entities on a shared-savings, lease or lease-purchase basis
647 pursuant to Section 31-7-14.

648 (xiii) **Municipal electrical utility system fuel.**

649 Purchases of coal and/or natural gas by municipally owned electric
650 power generating systems that have the capacity to use both coal
651 and natural gas for the generation of electric power.

652 (xiv) **Library books and other reference materials.**

653 Purchases by libraries or for libraries of books and periodicals;
654 processed film, videocassette tapes, filmstrips and slides;
655 recorded audiotapes, cassettes and diskettes; and any such items
656 as would be used for teaching, research or other information
657 distribution; however, equipment such as projectors, recorders,
658 audio or video equipment, and monitor televisions are not exempt
659 under this subparagraph.

660 (xv) **Unmarked vehicles.** Purchases of unmarked
661 vehicles when such purchases are made in accordance with
662 purchasing regulations adopted by the Department of Finance and
663 Administration pursuant to Section 31-7-9(2).

664 (xvi) **Election ballots.** Purchases of ballots
665 printed pursuant to Section 23-15-351.

666 (xvii) **Multichannel interactive video systems.**

667 From and after July 1, 1990, contracts by Mississippi Authority
668 for Educational Television with any private educational



669 institution or private nonprofit organization whose purposes are
670 educational in regard to the construction, purchase, lease or
671 lease-purchase of facilities and equipment and the employment of
672 personnel for providing multichannel interactive video systems
673 (ITSF) in the school districts of this state.

674 (xviii) **Purchases of prison industry products by**
675 **the Department of Corrections, regional correctional facilities or**
676 **privately owned prisons.** Purchases made by the Mississippi
677 Department of Corrections, regional correctional facilities or
678 privately owned prisons involving any item that is manufactured,
679 processed, grown or produced from the state's prison industries.

680 (xix) **Undercover operations equipment.** Purchases
681 of surveillance equipment or any other high-tech equipment to be
682 used by law enforcement agents in undercover operations, provided
683 that any such purchase shall be in compliance with regulations
684 established by the Department of Finance and Administration.

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

689 (xxi) **Certain school district purchases.**
690 Purchases of commodities made by school districts from vendors
691 with which any levying authority of the school district, as
692 defined in Section 37-57-1, has contracted through competitive
693 bidding procedures for purchases of the same commodities.



694 (xxii) **Garbage, solid waste and sewage contracts.**
695 Contracts for garbage collection or disposal, contracts for solid
696 waste collection or disposal and contracts for sewage collection
697 or disposal.

698 (xxiii) **Municipal water tank maintenance**
699 **contracts.** Professional maintenance program contracts for the
700 repair or maintenance of municipal water tanks, which provide
701 professional services needed to maintain municipal water storage
702 tanks for a fixed annual fee for a duration of two (2) or more
703 years.

704 (xxiv) **Purchases of Mississippi Industries for the**
705 **Blind products or services.** Purchases made by state agencies or
706 governing authorities involving any item that is manufactured,
707 processed or produced by, or any services provided by, the
708 Mississippi Industries for the Blind.

709 (xxv) **Purchases of state-adopted textbooks.**
710 Purchases of state-adopted textbooks by public school districts.

711 (xxvi) **Certain purchases under the Mississippi**
712 **Major Economic Impact Act.** Contracts entered into pursuant to the
713 provisions of Section 57-75-9(2), (3) and (4).

714 (xxvii) **Used heavy or specialized machinery or**
715 **equipment for installation of soil and water conservation**
716 **practices purchased at auction.** Used heavy or specialized
717 machinery or equipment used for the installation and
718 implementation of soil and water conservation practices or



719 measures purchased subject to the restrictions provided in
720 Sections 69-27-331 through 69-27-341. Any purchase by the State
721 Soil and Water Conservation Commission under the exemption
722 authorized by this subparagraph shall require advance
723 authorization spread upon the minutes of the commission to include
724 the listing of the item or items authorized to be purchased and
725 the maximum bid authorized to be paid for each item or items.

726 (xxviii) **Hospital lease of equipment or services.**

727 Leases by hospitals of equipment or services if the leases are in
728 compliance with paragraph (1)(ii).

729 (xxix) **Purchases made pursuant to qualified**

730 **cooperative purchasing agreements.** Purchases made by certified
731 purchasing offices of state agencies or governing authorities
732 under cooperative purchasing agreements previously approved by the
733 Office of Purchasing and Travel and established by or for any
734 municipality, county, parish or state government or the federal
735 government, provided that the notification to potential
736 contractors includes a clause that sets forth the availability of
737 the cooperative purchasing agreement to other governmental
738 entities. Such purchases shall only be made if the use of the
739 cooperative purchasing agreements is determined to be in the best
740 interest of the governmental entity.

741 (xxx) **School yearbooks.** Purchases of school

742 yearbooks by state agencies or governing authorities; however,
743 state agencies and governing authorities shall use for these



744 purchases the RFP process as set forth in the Mississippi
745 Procurement Manual adopted by the Office of Purchasing and Travel.

746 (xxxii) **Design-build method of contracting and**
747 **certain other contracts.** Contracts entered into under the
748 provisions of Section 31-7-13.1, 37-101-44 or 65-1-85.

749 (xxxiii) **Toll roads and bridge construction**
750 **projects.** Contracts entered into under the provisions of Section
751 65-43-1 or 65-43-3.

752 (xxxiiii) **Certain purchases under Section 57-1-221.**
753 Contracts entered into pursuant to the provisions of Section
754 57-1-221.

755 (xxxiv) **Certain transfers made pursuant to the**
756 **provisions of Section 57-105-1(7).** Transfers of public property
757 or facilities under Section 57-105-1(7) and construction related
758 to such public property or facilities.

759 (xxxv) **Certain purchases or transfers entered into**
760 **with local electrical power associations.** Contracts or agreements
761 entered into under the provisions of Section 55-3-33.

762 (xxxvi) **Certain purchases by an academic medical**
763 **center or health sciences school.** Purchases by an academic
764 medical center or health sciences school, as defined in Section
765 37-115-50, of commodities that are used for clinical purposes and
766 1. intended for use in the diagnosis of disease or other
767 conditions or in the cure, mitigation, treatment or prevention of
768 disease, and 2. medical devices, biological, drugs and



769 radiation-emitting devices as defined by the United States Food
770 and Drug Administration.

771 (xxxvii) **Certain purchases made under the Alyce G.**
772 **Clarke Mississippi Lottery Law.** Contracts made by the Mississippi
773 Lottery Corporation pursuant to the Alyce G. Clarke Mississippi
774 Lottery Law.

775 (xxxviii) **Certain purchases made by the Department**
776 **of Health and the Department of Revenue.** Purchases made by the
777 Department of Health and the Department of Revenue solely for the
778 purpose of fulfilling their respective responsibilities under the
779 Mississippi Medical Cannabis Act. This subparagraph shall stand
780 repealed on June 30, 2026.

781 (n) **Term contract authorization.** All contracts for the
782 purchase of:

783 (i) All contracts for the purchase of commodities,
784 equipment and public construction (including, but not limited to,
785 repair and maintenance), may be let for periods of not more than
786 sixty (60) months in advance, subject to applicable statutory
787 provisions prohibiting the letting of contracts during specified
788 periods near the end of terms of office. Term contracts for a
789 period exceeding twenty-four (24) months shall also be subject to
790 ratification or cancellation by governing authority boards taking
791 office subsequent to the governing authority board entering the
792 contract.



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

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



817 both such fine and imprisonment. In addition, the claim or claims
818 submitted shall be forfeited.

819 (p) **Electrical utility petroleum-based equipment**
820 **purchase procedure.** When in response to a proper advertisement
821 therefor, no bid firm as to price is submitted to an electric
822 utility for power transformers, distribution transformers, power
823 breakers, reclosers or other articles containing a petroleum
824 product, the electric utility may accept the lowest and best bid
825 therefor although the price is not firm.

826 (q) **Fuel management system bidding procedure.** Any
827 governing authority or agency of the state shall, before
828 contracting for the services and products of a fuel management or
829 fuel access system, enter into negotiations with not fewer than
830 two (2) sellers of fuel management or fuel access systems for
831 competitive written bids to provide the services and products for
832 the systems. In the event that the governing authority or agency
833 cannot locate two (2) sellers of such systems or cannot obtain
834 bids from two (2) sellers of such systems, it shall show proof
835 that it made a diligent, good-faith effort to locate and negotiate
836 with two (2) sellers of such systems. Such proof shall include,
837 but not be limited to, publications of a request for proposals and
838 letters soliciting negotiations and bids. For purposes of this
839 paragraph (q), a fuel management or fuel access system is an
840 automated system of acquiring fuel for vehicles as well as
841 management reports detailing fuel use by vehicles and drivers, and



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

848 (r) **Solid waste contract proposal procedure.** Before
849 entering into any contract for garbage collection or disposal,
850 contract for solid waste collection or disposal or contract for
851 sewage collection or disposal, which involves an expenditure of
852 more than Seventy-five Thousand Dollars (\$75,000.00), a governing
853 authority or agency shall issue publicly a request for proposals
854 concerning the specifications for such services which shall be
855 advertised for in the same manner as provided in this section for
856 seeking bids for purchases which involve an expenditure of more
857 than the amount provided in paragraph (c) of this section. Any
858 request for proposals when issued shall contain terms and
859 conditions relating to price, financial responsibility,
860 technology, legal responsibilities and other relevant factors as
861 are determined by the governing authority or agency to be
862 appropriate for inclusion; all factors determined relevant by the
863 governing authority or agency or required by this paragraph (r)
864 shall be duly included in the advertisement to elicit proposals.
865 After responses to the request for proposals have been duly
866 received, the governing authority or agency shall select the most



867 qualified proposal or proposals on the basis of price, technology
868 and other relevant factors and from such proposals, but not
869 limited to the terms thereof, negotiate and enter into contracts
870 with one or more of the persons or firms submitting proposals. If
871 the governing authority or agency deems none of the proposals to
872 be qualified or otherwise acceptable, the request for proposals
873 process may be reinitiated. Notwithstanding any other provisions
874 of this paragraph, where a county with at least thirty-five
875 thousand (35,000) nor more than forty thousand (40,000)
876 population, according to the 1990 federal decennial census, owns
877 or operates a solid waste landfill, the governing authorities of
878 any other county or municipality may contract with the governing
879 authorities of the county owning or operating the landfill,
880 pursuant to a resolution duly adopted and spread upon the minutes
881 of each governing authority involved, for garbage or solid waste
882 collection or disposal services through contract negotiations.

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



892 which competitive bids are required shall be made from the lowest
893 and best minority business bidder. For the purposes of this
894 paragraph, the term "minority business" means a business which is
895 owned by a majority of persons who are United States citizens or
896 permanent resident aliens (as defined by the Immigration and
897 Naturalization Service) of the United States, and who are Asian,
898 Black, Hispanic or Native American, according to the following
899 definitions:

900 (i) "Asian" means persons having origins in any of
901 the original people of the Far East, Southeast Asia, the Indian
902 subcontinent, or the Pacific Islands.

903 (ii) "Black" means persons having origins in any
904 black racial group of Africa.

905 (iii) "Hispanic" means persons of Spanish or
906 Portuguese culture with origins in Mexico, South or Central
907 America, or the Caribbean Islands, regardless of race.

908 (iv) "Native American" means persons having
909 origins in any of the original people of North America, including
910 American Indians, Eskimos and Aleuts.

911 (t) **Construction punch list restriction.** The
912 architect, engineer or other representative designated by the
913 agency or governing authority that is contracting for public
914 construction or renovation may prepare and submit to the
915 contractor only one (1) preliminary punch list of items that do
916 not meet the contract requirements at the time of substantial



917 completion and one (1) final list immediately before final
918 completion and final payment.

919 (u) **Procurement of construction services by state**
920 **institutions of higher learning.** Contracts for privately financed
921 construction of auxiliary facilities on the campus of a state
922 institution of higher learning may be awarded by the Board of
923 Trustees of State Institutions of Higher Learning to the lowest
924 and best bidder, where sealed bids are solicited, or to the
925 offeror whose proposal is determined to represent the best value
926 to the citizens of the State of Mississippi, where requests for
927 proposals are solicited.

928 (v) **Insurability of bidders for public construction or**
929 **other public contracts.** In any solicitation for bids to perform
930 public construction or other public contracts to which this
931 section applies, including, but not limited to, contracts for
932 repair and maintenance, for which the contract will require
933 insurance coverage in an amount of not less than One Million
934 Dollars (\$1,000,000.00), bidders shall be permitted to either
935 submit proof of current insurance coverage in the specified amount
936 or demonstrate ability to obtain the required coverage amount of
937 insurance if the contract is awarded to the bidder. Proof of
938 insurance coverage shall be submitted within five (5) business
939 days from bid acceptance.



940 (w) **Purchase authorization clarification.** Nothing in
941 this section shall be construed as authorizing any purchase not
942 authorized by law.

943 (x) **Mississippi Regional Pre-Need Disaster Clean Up**
944 **Act.** (i) * * * The Department of Finance and Administration
945 shall develop and implement a process that creates a preferred
946 vendor list for both disaster debris removal and monitoring.

947 (ii) Any board of supervisors of any county or any
948 governing authority of any municipality may opt in to the benefits
949 and services provided under the appropriate and relevant contract
950 established in subparagraph (i) of this paragraph at the time of a
951 disaster event in that county or municipality. At the time of opt
952 in, the county or municipality shall assume responsibility for
953 payment in full to the contractor for the disaster-related solid
954 waste collection, disposal or monitoring services provided.
955 Nothing in this subparagraph (ii) shall be construed as requiring
956 a county or municipality to opt in to any such contract
957 established in subparagraph (i) of this paragraph.

958 **SECTION 2.** Section 31-7-67, Mississippi Code of 1972, is
959 amended as follows:

960 31-7-67. (1) For the purposes of this section, the
961 following words and phrases shall have the meanings ascribed in
962 this section unless the context clearly indicates otherwise:

963 (a) "sUAS" means a small unmanned aircraft system, also
964 called a drone, including the unmanned aircraft itself and any



965 additional support equipment, control stations, data links,
966 telemetry, communications and navigation equipment or any other
967 equipment necessary to operate the unmanned aircraft.

968 (b) "Domestic manufacturer" means a manufacturing
969 company incorporated and headquartered in the United States of
970 America and whose majority ownership is comprised of American
971 citizens and which manufactures drones at a facility in the United
972 States of America. If such company is owned by another entity,
973 that entity must also be an American company.

974 (c) "Domestic sUAS company" means a company which
975 provides maintenance, repair, and other technical services for
976 small unmanned aircraft systems, including drones, which is
977 incorporated, headquartered and primarily provides such services
978 in the United States of America.

979 (d) "Collision avoidance system" means a system of
980 hardware or software designed to mitigate collision risk for
981 drones.

982 (2) Beginning January 1, 2025, all small unmanned aircraft
983 systems and drones purchased by the State of Mississippi or any
984 agency or political subdivision thereof shall be purchased
985 exclusively from a domestic manufacturer and shall possess
986 collision avoidance systems. All maintenance, repair and other
987 technical services on drones owned by the State of Mississippi or
988 any agency or political subdivision thereof shall be performed by
989 a domestic sUAS company. All infrastructure inspection services



990 requiring the use of sUAS and contracted for on behalf of the
991 State shall be performed using domestically manufactured sUAS.

992 (3) In public procurement under Title 31, Chapter 7,
993 domestic manufacturers operating within the State of Mississippi
994 shall be granted a ten percent (10%) bid preference over
995 non-Mississippi manufacturers and domestic sUAS companies shall be
996 granted a ten percent (10%) bid preference over non-Mississippi
997 companies. Additionally, all agencies and public entities may
998 solicit a minimum of one (1) bid from a Mississippi-based small
999 unmanned aircraft system manufacturer.

1000 (4) Except as provided in subsection (6), an agency may not
1001 purchase or operate a small unmanned aircraft system manufactured
1002 in the People's Republic of China. For purposes of this section,
1003 the term "manufactured" includes a small unmanned aircraft system
1004 that is assembled in a country other than the People's Republic of
1005 China but which is comprised of more than a negligible amount of
1006 parts, software, components or raw materials originating in the
1007 People's Republic of China.

1008 (5) The provisions of this section shall not apply to a
1009 state institution of higher learning with a federally designated
1010 research center when such institution is conducting research
1011 regarding sUAS and related matters.

1012 (6) The provisions of this section shall not apply to small
1013 unmanned aircraft systems manufactured in the People's Republic of
1014 China and purchased prior to January 1, 2025.



1015 **SECTION 3.** This act shall take effect and be in force from
1016 and after July 1, 2024.

