

By: Representative Frierson

To: Appropriations

HOUSE BILL NO. 655

1 AN ACT TO AMEND SECTION 31-7-12, MISSISSIPPI CODE OF 1972, TO
2 AUTHORIZE STATE AGENCIES TO PURCHASE COMMODITIES APPROVED BY THE
3 DEPARTMENT OF FINANCE AND ADMINISTRATION FROM ANY SOURCE OFFERING
4 THE IDENTICAL COMMODITY THAT IS ON THE STATE CONTRACT, AT A PRICE
5 NOT EXCEEDING THE STATE CONTRACT PRICE FOR THAT COMMODITY, WITHOUT
6 OBTAINING OR ADVERTISING FOR COMPETITIVE BIDS; AND FOR RELATED
7 PURPOSES.

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

9 **SECTION 1.** Section 31-7-12, Mississippi Code of 1972, is
10 amended as follows:

11 31-7-12. * * *

12 (1) Agencies and governing authorities may purchase
13 commodities approved by the Department of Finance and
14 Administration from the state contract vendor, or from any source
15 offering the identical commodity, at a price not exceeding the
16 state contract price established by the Department of Finance and
17 Administration for that commodity, without obtaining or
18 advertising for competitive bids. Agencies and governing
19 authorities that do not exercise the option to purchase those
20 commodities from the state contract vendor or from another source
21 offering the identical commodity at a price not exceeding the
22 state contract price established by the Department of Finance and
23 Administration shall make those purchases under the provisions of
24 Section 31-7-13 without regard to state contract prices
25 established by the Department of Finance and Administration,
26 unless those purchases are authorized to be made under subsection
27 (4) of this section.

28 (2) Nothing in this section shall prohibit agencies or
29 governing authorities from purchasing, under subsection (1) of

30 this section, commodities approved by the Department of Finance
31 and Administration at a price not exceeding the state contract
32 price established by the Department of Finance and Administration.

33 (3) The Department of Finance and Administration shall
34 ensure that the prices of all commodities on the state contract
35 are the lowest and best prices available from any source offering
36 that commodity at the same level of quality or service, utilizing
37 the reasonable standards established therefor by the Department of
38 Finance and Administration. If the Department of Finance and
39 Administration does not list an approved price for the particular
40 item involved, purchase shall be made according to statutory
41 bidding and licensing requirements. To encourage prudent
42 purchasing practices, the Department of Finance and Administration
43 shall be authorized and empowered to exempt certain commodities
44 from the requirement that the lowest and best price be approved by
45 order placed on its minutes.

46 (4) Any school district may purchase commodities from
47 vendors with which any levying authority of the school district,
48 as defined in Section 37-57-1, has contracted through competitive
49 bidding procedures under Section 31-7-13 for purchases of the same
50 commodities. Purchases authorized by this subsection may be made
51 by a school district without obtaining or advertising for
52 competitive bids, and those purchases shall be made at the same
53 prices and under the same conditions as purchases of the same
54 commodities are to be made by the levying authority of the school
55 district under the contract with the vendor.

56 **SECTION 2.** This act shall take effect and be in force from
57 and after July 1, 2005.