

By: Representative Frierson

To: Appropriations

HOUSE BILL NO. 691

1 AN ACT TO AMEND SECTION 31-7-12, MISSISSIPPI CODE OF 1972, TO  
2 PROVIDE THAT UNDER THE PUBLIC PURCHASING LAWS, THE DEPARTMENT OF  
3 FINANCE AND ADMINISTRATION MAY ACCEPT BIDS ONLY FROM TRACTOR  
4 MANUFACTURERS AND NOT FROM TRACTOR DEALERS IN SELECTING TRACTORS  
5 FOR THE STATE CONTRACT; AND FOR RELATED PURPOSES.

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

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

9 31-7-12. (1) Except in regard to purchases of unmarked  
10 vehicles made in accordance with purchasing regulations adopted by  
11 the Department of Finance and Administration pursuant to Section  
12 31-7-9(2), all agencies shall purchase commodities at the state  
13 contract price from the approved source, unless approval is  
14 granted by the Department of Finance and Administration to solicit  
15 purchases outside the terms of the contracts. However, prices  
16 accepted by an agency shall be less than the prices set by the  
17 state contract. Prices accepted by an agency shall be obtained in  
18 compliance with paragraph (a), (b) or (c) of Section 31-7-13. It  
19 shall be the responsibility of the Department of Finance and  
20 Administration to ascertain that the resulting prices shall  
21 provide a cost effective alternative to the established state  
22 contract.

23 (2) Governing authorities may purchase commodities approved  
24 by the Department of Finance and Administration from the state  
25 contract vendor, or from any source offering the identical  
26 commodity, at a price not exceeding the state contract price  
27 established by the Department of Finance and Administration for  
28 that commodity, without obtaining or advertising for competitive

29 bids. Governing authorities that do not exercise the option to  
30 purchase those commodities from the state contract vendor or from  
31 another source offering the identical commodity at a price not  
32 exceeding the state contract price established by the Department  
33 of Finance and Administration shall make those purchases under the  
34 provisions of Section 31-7-13 without regard to state contract  
35 prices established by the Department of Finance and  
36 Administration, unless those purchases are authorized to be made  
37 under subsection (5) of this section.

38 (3) Nothing in this section shall prohibit governing  
39 authorities from purchasing, under subsection (2) of this section,  
40 commodities approved by the Department of Finance and  
41 Administration at a price not exceeding the state contract price  
42 established by the Department of Finance and Administration.

43 (4) The Department of Finance and Administration shall  
44 ensure that the prices of all commodities on the state contract  
45 are the lowest and best prices available from any source offering  
46 that commodity at the same level of quality or service, utilizing  
47 the reasonable standards established therefor by the Department of  
48 Finance and Administration. In selecting tractors for the state  
49 contract, the department may accept bids only from tractor  
50 manufacturers and shall not be authorized to accept bids from  
51 tractor dealers. If the Department of Finance and Administration  
52 does not list an approved price for the particular item involved,  
53 purchase shall be made according to statutory bidding and  
54 licensing requirements. To encourage prudent purchasing  
55 practices, the Department of Finance and Administration shall be  
56 authorized and empowered to exempt certain commodities from the  
57 requirement that the lowest and best price be approved by order  
58 placed on its minutes.

59 (5) Any school district may purchase commodities from  
60 vendors with which any levying authority of the school district,  
61 as defined in Section 37-57-1, has contracted through competitive

62 bidding procedures under Section 31-7-13 for purchases of the same  
63 commodities. Purchases authorized by this subsection may be made  
64 by a school district without obtaining or advertising for  
65 competitive bids, and those purchases shall be made at the same  
66 prices and under the same conditions as purchases of the same  
67 commodities are to be made by the levying authority of the school  
68 district under the contract with the vendor.

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