

Fifty-sixth
Legislative Assembly
of North Dakota

HOUSE BILL NO. 1442

Introduced by

Representative B. Thoreson

1 A BILL for an Act to create and enact a new section to chapter 54-44.4 of the North Dakota
2 Century Code, relating to providing a bidding preference for North Dakota based information
3 technology businesses; and to amend and reenact section 54-44.4-05 of the North Dakota
4 Century Code, relating to competitive bidding on purchases.

5 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

6 **SECTION 1. AMENDMENT.** Section 54-44.4-05 of the 1997 Supplement to the North
7 Dakota Century Code is amended and reenacted as follows:

8 **54-44.4-05. Competitive bidding on purchases.** Except as otherwise provided in
9 ~~section sections~~ sections 44-08-01 and section, 25-16.2-02, and section 2 of this Act, purchasing
10 contracts must be awarded to the lowest responsible bidder considering conformity with
11 specifications, terms of delivery, and quality and serviceability. The office of management and
12 budget may reject any or all bids or negotiate for a lower price with a successful bidder. Each
13 bid received, with the name of the bidder, must be recorded.

14 **SECTION 2.** A new section to chapter 54-44.4 of the North Dakota Century Code is
15 created and enacted as follows:

16 **Preference to North Dakota information technology businesses.**

17 1. When purchasing information technology services or products, the office of
18 management and budget and any other state entity shall provide a preference to
19 bidders resident in this state. In reviewing bids, the office of management and
20 budget or other state entity shall award the bid to a business based in this state if
21 the bid is within five percent of the lowest nonresident bidder and the resident
22 bidder has an acceptable performance history and meets the minimum
23 requirements specified in the bid solicitation.

- 1 2. Before a business from this state may qualify for a preference under subsection 1,
2 the business must register with the office of management and budget and sign a
3 notarized statement indicating that the business has its headquarters in this state
4 or a majority of its employees located in this state and draws its payroll from a bank
5 based in this state. If a business provides false or misleading information on the
6 statement regarding its qualification as a resident bidder, the business may not bid
7 on any state contract for a minimum of one year and a maximum of five years, as
8 determined by the director of the office of management and budget.
9 3. As used in this section, "information technology" includes telecommunications
10 systems and computing and data communications systems and their supporting
11 infrastructure used in the acquisition, processing, management, analysis, storage,
12 and delivery of information. The term also includes services provided by
13 information technology providers.