

Fifty-ninth
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1341

Introduced by

Representatives Kasper, Dosch, Grande, Headland, Klein, Skarphol

1 A BILL for an Act to amend and reenact subsection 2 of section 54-44.4-05 and subsection 1 of
2 section 54-44.4-09 of the North Dakota Century Code, relating to purchasing contracts and
3 approved vendors for state commodities and services contracts.

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

5 **SECTION 1. AMENDMENT.** Subsection 2 of section 54-44.4-05 of the North Dakota
6 Century Code is amended and reenacted as follows:

- 7 2. The office of management and budget shall adopt rules specifying the
8 circumstances under which competition may be waived or limited, when
9 negotiation may be used, and specifying the required justifications and procedures
10 for using those methods of purchasing. The office of management and budget
11 shall adopt rules related to sending notice of intent to make limited competitive,
12 noncompetitive, and negotiated purchases in accordance with this chapter. The
13 notice must describe the needed commodity or service and the intended
14 procurement method and must state that vendors are permitted to submit bids or
15 proposals for contracts to be awarded under this section. The circumstances that
16 may permit limited competitive, noncompetitive, or negotiated purchases include:
17 a. The commodity or service is available from only one source.
18 b. The commodity or service is available from another governmental entity's
19 contract.
20 c. The commodity or service is to be purchased for experimentation or trial.
21 d. No acceptable bid or proposal was received pursuant to a competitive bidding
22 or competitive proposal process.
23 e. Commodities are being purchased for over-the-counter resale.

- 1 f. Acceptable commodities or services are produced or provided by correctional
2 institutions or other government agencies.
- 3 g. The anticipated cost of purchasing specified commodities or services is less
4 than an amount determined by the office of management and budget which
5 would justify the expense of a competitive bidding or competitive proposal
6 process.
- 7 h. A used commodity is advantageous to the state and the commodity is
8 available only on short notice.
- 9 i. The commodity is a component or replacement part for which there is no
10 commercially available substitute and which can be obtained only from the
11 manufacturer.
- 12 j. Compatibility with equipment currently owned by the state is essential to the
13 proper functioning of that equipment.
- 14 k. The agency provides documentation indicating that the services or the
15 circumstances are of such a nature that deviation from the procurement
16 procedure is appropriate.

17 **SECTION 2. AMENDMENT.** Subsection 1 of section 54-44.4-09 of the North Dakota
18 Century Code is amended and reenacted as follows:

- 19 1. The office of management and budget shall establish and maintain current lists of
20 persons that desire to provide commodities or services to the state. Every person
21 that desires to bid or submit a proposal on contracts for commodities or services
22 awarded under this chapter must be an approved vendor in order to be placed on
23 the bidders list. The office of management and budget or the purchasing agency
24 shall use the list when issuing invitation for bids or request for proposals over the
25 amount established for small purchases, except as otherwise provided in this
26 section. The office of management and budget or the purchasing agency shall use
27 the list when sending notice of intent to make cooperative, limited competitive,
28 noncompetitive, and negotiated purchases.