

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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HOUSE BILL 1332
Senate Commerce Committee Substitute Adopted 7/5/05

Short Title: Electronic Purchases and Sales.

(Public)

Sponsors:

Referred to:

April 20, 2005

A BILL TO BE ENTITLED

AN ACT TO FACILITATE ELECTRONIC PURCHASE AND SALE OF LOCAL
GOVERNMENT PROPERTY AND TO MAKE OTHER PURCHASING
CHANGES.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 143-129(a) and (g) read as rewritten:

"§ 143-129. Procedure for letting of public contracts.

(a) Bidding Required. – No construction or repair work requiring the estimated expenditure of public money in an amount equal to or more than three hundred thousand dollars (\$300,000) or purchase of apparatus, supplies, materials, or equipment requiring an estimated expenditure of public money in an amount equal to or more than ninety thousand dollars (\$90,000) may be performed, nor may any contract be awarded therefor, by any board or governing body of the State, or of any institution of the State government, or of any political subdivision of the State, unless the provisions of this section are complied with.

For purchases of apparatus, supplies, materials, or equipment, the governing body of any political subdivision of the State may, subject to any restriction as to dollar amount, or other conditions that the governing body elects to impose, delegate to the ~~manager or the manager, school superintendent, chief purchasing official, or both, official, or other employee~~ the authority to award contracts, reject bids, or readvertise to receive bids on behalf of the unit. Any person to whom authority is delegated under this subsection shall comply with the requirements of this Article that would otherwise apply to the governing body.

...

(g) Waiver of Bidding for Previously Bid Contracts. – When the governing board of any political subdivision of the State, or ~~the manager or purchasing official~~ delegated authority the person to whom authority has been delegated under subsection (a) of this section, determines that it is in the best interest of the unit, the requirements of this section may be waived for the purchase of apparatus, supplies, materials, or equipment

1 from any person or entity that has, within the previous 12 months, after having
2 completed a public, formal bid process substantially similar to that required by this
3 Article, contracted to furnish the apparatus, supplies, materials, or equipment to:

- 4 (1) The United States of America or any federal agency;
- 5 (2) The State of North Carolina or any agency or political subdivision of
6 the State; or
- 7 (3) Any other state or any agency or political subdivision of that state, if
8 the person or entity is willing to furnish the items at the same or more
9 favorable prices, terms, and conditions as those provided under the
10 contract with the other unit or agency. Notwithstanding any other
11 provision of this section, any purchase made under this subsection
12 shall be approved by the governing body of the purchasing political
13 subdivision of the State at a regularly scheduled meeting of the
14 governing body no fewer than 10 days after publication of ~~notice, in a~~
15 ~~newspaper of general circulation in the area served by the governing~~
16 ~~body,~~notice that a waiver of the bid procedure will be considered in
17 order to contract with a qualified supplier pursuant to this section.
18 Notice may be published in a newspaper having general circulation in
19 the political subdivision or by electronic means, or both. A decision to
20 publish notice solely by electronic means for a particular contract or
21 for all contracts under this subsection shall be approved by the
22 governing board of the political subdivision. Rules issued by the
23 Secretary of Administration pursuant to G.S. 143-49(6) shall apply
24 with respect to participation in State term contracts."

25 **SECTION 2.** G.S. 143-131(a) reads as rewritten:

26 "**§ 143-131. When counties, cities, towns and other subdivisions may let contracts**
27 **on informal bids.**

28 (a) All contracts for construction or repair work or for the purchase of apparatus,
29 supplies, materials, or equipment, involving the expenditure of public money in the
30 amount of ~~five thousand dollars (\$5,000)~~thirty thousand dollars (\$30,000) or more, but
31 less than the limits prescribed in G.S. 143-129, made by any officer, department, board,
32 local school administrative unit, or commission of any county, city, town, or other
33 subdivision of this State shall be made after informal bids have been secured. All such
34 contracts shall be awarded to the lowest responsible, responsive bidder, taking into
35 consideration quality, performance, and the time specified in the bids for the
36 performance of the contract. It shall be the duty of any officer, department, board, local
37 school administrative unit, or commission entering into such contract to keep a record of
38 all bids submitted, and such record shall not be subject to public inspection until the
39 contract has been awarded."

40 **SECTION 3.** G.S. 160A-266(c) reads as rewritten:

41 "**§ 160A-266. Methods of sale; limitation.**

42 ...

43 (c) A city council may adopt regulations prescribing procedures for disposing of
44 personal property valued at less than ~~five thousand dollars (\$5,000)~~thirty thousand

1 dollars (\$30,000) for any one item or group of items in substitution for the requirements
2 of this Article. The regulations shall be designed to secure for the city fair market value
3 for all property disposed of and to accomplish the disposal efficiently and economically.
4 The regulations may, but need not, require published notice, and may provide for either
5 public or private exchanges and sales. The council may authorize one or more city
6 officials to declare surplus any personal property valued at less than ~~five thousand~~
7 ~~dollars (\$5,000)~~ thirty thousand dollars (\$30,000) for any one item or group of items, to
8 set its fair market value, and to convey title to the property for the city in accord with
9 the regulations. A city official authorized under this section to dispose of property shall
10 keep a record of all property sold under this section and that record shall generally
11 describe the property sold or exchanged, to whom it was sold, or with whom exchanged,
12 and the amount of money or other consideration received for each sale or exchange."

13 **SECTION 4.** G.S. 160A-270(c) reads as rewritten:

14 "**§ 160A-270. Public auction.**

15 ...

16 (c) The council may conduct auctions of real or personal property electronically
17 by authorizing the establishment of an electronic auction procedure or by authorizing
18 the use of existing private or public electronic auction services. Notice of an electronic
19 auction of property shall identify, in addition to the information required in subsections
20 (a) and (b) of this section, the electronic address where information about the property
21 to be sold can be found and the electronic address where electronic bids may be posted.
22 Notice may be published in a newspaper having general circulation in the political
23 subdivision or by electronic means, or both. A decision to publish notice solely by
24 electronic means for a particular contract or for all contracts under this subsection shall
25 be approved by the governing board of the political subdivision. Except as provided in
26 this subsection, all ~~the~~ requirements of subsections (a) and (b) of this section apply to
27 electronic auctions."

28 **SECTION 5.** This act raises the threshold amount in G.S. 143-131 and
29 G.S. 160A-266. If any local act provides a threshold amount for the subjects addressed
30 in these statutes that is less than the amount provided in this act, this act prevails to the
31 extent of that conflict.

32 **SECTION 6.** This act is effective when it becomes law.