

Requested by Representative PARRISH

**PROPOSED AMENDMENTS TO
HOUSE BILL 4089**

1 On page 1 of the printed bill, delete lines 6 through 28 and delete page
2 2 and insert:

3 **“SECTION 2. (1) In procuring at least 10 percent of the goods the**
4 **Department of Corrections procures under public contracts, the de-**
5 **partment shall specify in procurement documents and require in the**
6 **public contracts that:**

7 **“(a) A contractor or supplier must use corrugated cardboard pallets**
8 **to transport, distribute, store and otherwise transfer the goods if**
9 **transporting, distributing, storing or transferring the goods requires**
10 **using a pallet; and**

11 **“(b) The contractor or supplier must require any common carrier**
12 **or third party with which the contractor or supplier contracts to use**
13 **corrugated cardboard pallets to transport, distribute, store or other-**
14 **wise transfer the goods if transporting, distributing, storing or trans-**
15 **ferring the goods requires using a pallet.**

16 **“(2) The department shall use corrugated cardboard pallets to**
17 **transport, distribute, store or otherwise transfer goods to or for other**
18 **state agencies.**

19 **“(3) Subsections (1) and (2) of this section do not apply if:**

20 **“(a) Corrugated cardboard pallets cost more than alternatives. In**
21 **comparing the cost of using corrugated cardboard pallets with the cost**

1 of using alternatives, the department shall consider:

2 “(A) Occupational safety costs and benefits for each type of pallet,
3 including any differences in rates of freight handling injuries;

4 “(B) Any operational efficiencies that come from using each type
5 of pallet;

6 “(C) Any savings that result from purchasing, leasing or otherwise
7 acquiring each type of pallet;

8 “(D) Any environmental benefits or impacts that result from
9 producing, using, disposing of and transporting goods upon each type
10 of pallet, including but not limited to benefits or impacts related to
11 how pallet weight affects transportation-related carbon emissions and
12 benefits that result from recycling and disposing of each type of pallet;
13 and

14 “(E) Any costs or savings related to changes in the rates and types
15 of damage to goods that result from using corrugated cardboard
16 pallets for transporting or storing the goods instead of using another
17 type of pallet.

18 “(b) The contractor, supplier, common carrier, third party or de-
19 partment transports, distributes, stores or transfers the goods under
20 conditions that are subject to prolonged inclement weather or under
21 circumstances in which using a corrugated cardboard pallet in a way
22 that is inconsistent with the pallet manufacturer’s recommendations
23 might cause injury or damage to the goods or to property.

24 “(4) The department by rule may specify:

25 “(a) Methods and considerations in addition to the considerations
26 specified in subsection (3)(a) of this section that the department may
27 use in comparing the costs of using particular types of pallets; and

28 “(b) Standards and specifications for corrugated cardboard pallets
29 that meet the department’s needs for transporting, distributing, stor-
30 ing and otherwise transferring goods in connection with the

1 department's goods procurements.

2 **“SECTION 3. (1) The Department of Corrections shall submit to an**
3 **appropriate committee of the Legislative Assembly a report that de-**
4 **scribes how the department has implemented the provisions of section**
5 **2 of this 2016 Act, summarizes the results of the implementation, in-**
6 **cluding the types and amounts or volumes of goods shipped on corru-**
7 **gated cardboard pallets and the costs and benefits realized from**
8 **shipping goods on corrugated cardboard pallets, and evaluates the ef-**
9 **fectiveness of using corrugated cardboard pallets in accordance with**
10 **section 2 of this 2016 Act.**

11 **“(2) The department shall submit a report as described in subsection**
12 **(1) of this section on or before these dates:**

13 **“(a) June 1, 2017;**

14 **“(b) February 1, 2018; and**

15 **“(c) December 1, 2018.**

16 **“SECTION 4. Section 2 of this 2016 Act applies to procurements that**
17 **the Department of Corrections advertises or otherwise solicits or, if**
18 **the department does not advertise or solicit the procurement, to public**
19 **contracts into which the department enters on or after the operative**
20 **date specified in section 5 of this 2016 Act.**

21 **“SECTION 5. (1) Section 2 of this 2016 Act becomes operative on**
22 **January 1, 2017.**

23 **“(2) The Director of the Department of Corrections may take any**
24 **action before the operative date specified in subsection (1) of this sec-**
25 **tion that is necessary to enable the director to exercise, on and after**
26 **the operative date specified in subsection (1) of this section, all of the**
27 **duties, functions and powers conferred on the director by section 2 of**
28 **this 2016 Act.**

29 **“SECTION 6. Sections 1 to 5 of this 2016 Act are repealed on Janu-**
30 **ary 1, 2022.**

1 **SECTION 7. This 2016 Act takes effect on July 1, 2016.**

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