HB 4127 A STAFF MEASURE SUMMARY

House Committee On Business and Labor

Action Date: 02/14/18

Action: Do pass with amendments. (Printed A-Eng.)

Vote: 8-3-0-0

Yeas: 8 - Bynum, Doherty, Evans, Fahey, Heard, Holvey, Kennemer, Piluso

Nays: 3 - Barreto, Boles, Wilson Fiscal: Has minimal fiscal impact Revenue: No revenue impact

Prepared By: Jan Nordlund, LPRO Analyst

WHAT THE MEASURE DOES:

Allows public contracting agency to consider pricing policies, proposals and other pricing information along with qualifications when procuring architectural, engineering, photogrammetric mapping, transportation planning and land surveying services. Allows contracting agency to select up to three firms that have responded to request for qualifications and then request proposals, pricing policies and other pricing information from those firms. Takes effect 91st day following adjournment sine die.

ISSUES DISCUSSED:

- Creation of alternative pathway for selecting firms
- Desire of contracting agencies to shorten process, saving time and money
- Concern that quality of projects will suffer under alternative
- Whether competition and accountability will be improved under alternative
- Amount of time consulting firms spend responding to scope and budget requests

EFFECT OF AMENDMENT:

Allows contracting agency to select three highest qualified firms instead of five. Clarifies that contracting agency may terminate price negotiations with consultant who was selected under existing request for qualifications process.

BACKGROUND:

The process used by state and local government to procure architectural, engineering, photogrammetric mapping, transportation planning or land surveying services is referred to as Qualification Based Selection (QBS). Statute requires a contracting agency to select these consultants on the basis of the consultant's qualifications for the type of professional service required. QBS allows a contracting agency to ask for or use pricing policies and proposals or other pricing information to determine consultant compensation only after a candidate is selected. If negotiations over compensation do not reach a level that is reasonable and fair to the contracting agency, the contracting agency can then select the second most qualified consultant who responded to the request for qualifications. Direct appointment is allowed if the estimated cost of the services for the project do not exceed \$100,000.

House Bill 4127-A allows a public contracting agency to select up to three of the most qualified firms that have responded to a request for qualifications and then request proposals, pricing policies and other pricing information from those firms.

Carrier: Rep. McLain