

HB 2769 A STAFF MEASURE SUMMARY
Senate Committee On Business and General Government

Carrier: Sen. Manning Jr

Action Date: 04/18/19
Action: Do pass the A-Eng bill.
Vote: 4-0-1-0
Yeas: 4 - Dembrow, Girod, Olsen, Riley
Exc: 1 - Hass
Fiscal: Has minimal fiscal impact
Revenue: No revenue impact
Prepared By: Tyler Larson, LPRO Analyst
Meeting Dates: 4/18

WHAT THE MEASURE DOES:

Modifies Qualifications-Based Selection (QBS) procurement process to allow local government contracting agencies to consider pricing proposals of three top-ranked consultants when soliciting architectural, engineering, land surveying, photogrammetric mapping, or transportation planning services. Requires the local contracting agency to state in solicitation documents what factors will be used to evaluate proposals, including pricing information. Limits weight given to price proposal to 15 percent. Establishes rights to protest a state or local contracting agency's use of QBS. Applies to contracts advertised on or after January 1, 2020. Takes effect 91st day after adjournment sine die.

ISSUES DISCUSSED:

- Work group process to develop concept
- Current QBS procurement process
- Benefits of allowing local government to consider pricing before opening negotiations

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

State and local governments use Qualifications-Based Selection (QBS) to procure architectural, engineering, land surveying, photogrammetric mapping, or transportation planning services. QBS requires contracting agencies to make selections on the basis of each 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 regarding 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, and request pricing information, and so on, one at a time, in descending order. Direct appointment is allowed if the estimated cost of services for the project does not exceed \$100,000.

A proposal to allow consideration of pricing information in QBS was discussed in 2018 (House Bill 4127). A work group met throughout the interim to develop the policy changes contained in HB 2769-A. The measure allows a local government contracting agency to select up to three of the most qualified firms that have responded to a request for qualifications and then request pricing policies and other pricing information from those firms prior to making a selection.