Approved: March 27, 2002
Date

MINUTES OF THE SENATE COMMITTEE ON COMMERCE.

The meeting was called to order by Chairperson Senator Karin Brownlee at 8:30 a.m. on March 11, 2002 in Room 123-S of the Capitol.

All members were present except:	Senator Brungardt	(Excused)
	Senator Wagle	(Excused)
Committee staff present:	Sherman Parks, Revisor of Statutes April Holman, Legislative Research Lea Gerard, Committee Secretary	
Conferees appearing before the committee:	Leo Vogel, Assistant Director, Purchasing	
Others attending:	See attached list.	

Hearings on HB 2719–Amendments to state purchasing statutes:

April Holman, Legislative Research briefed the Committee that **HB 2719** would amend current law to include electronic forms of bids increasing the threshold amount from $5,000 to $10,000 for contracts reported by the Director of Purchases of the Division of Purchases in the Department of Administration. This amendment would eliminate references to the Kansas Performance Review Board and requirements which are not performed any longer and allow the Director of Purchases the option to proceed or not to proceed with the procurement that fails to meet requirements. The bill will allow electronic notification for a request, a proposal or solicitation of bids as part of the procurement process and will permit electronic bids and the posting of notices on the internet for RSP's and bid solicitations. There will be no fiscal impact with passage of the bill.

Leo Vogel, Assistant Director of Purchases, testified in support of **HB 2719** stating this bill will update the 1953 purchasing statutes and will allow the use of electronic bids, electronic opening of bids, electronic bulletin boards and electronic mail to purchase goods and services for the state (Attachment 1).

The committee questioned Leo Vogel regarding alternations or erasures made to bids. Leo Vogel explained if there are changes or alterations made to the bid after it is opened, it will not be accepted. If the vendor prepares a bid and makes mistakes on that original bid before it is open, those will be accepted.

The committee discussed the detailed report of all contracts over $5,000. without competitive bids that is prepared by the Director of Purchases each calendar quarter period and if the report is utilized. The report is sent to Leadership, Appropriations and Ways and Means which is reviewed for unusual purchases.

Chairperson Brownlee announced to the committee that she plans on working **HB 2719** next week and that there is a possibility of placing the contents of eliminating the Kansas Performance Review Board bill into **HB 2719.** She also indicated the **SB 481** may be added to **HB 2719.**

There being no further conferees wishing to testify, the hearing for **HB 2719** was closed.

Senator Barone moved, seconded by Senator Jordan that the minutes of February 21 and 25, 2002 be approved. Motion carried.

The meeting was adjourned at 9:30 a.m.

The next meeting is scheduled for Tuesday, March 12, 2002 at 8:30 a.m.

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.