

State of South Dakota

EIGHTY-SIXTH SESSION
LEGISLATIVE ASSEMBLY, 2011

941S0696

SENATE APPROPRIATIONS ENGROSSED NO. **SB 168** - 2/10/2011

Introduced by: Senator Haverly and Representative Perry

1 FOR AN ACT ENTITLED, An Act to revise certain provisions regarding certain state
2 purchases of supplies and services.

3 Section 1. That § 5-18A-22 be amended to read as follows:

4 5-18A-22. The provisions of this chapter and chapters 5-18B, 5-18C, and 5-18D do not
5 apply to:

6 (1) Any highway construction contract entered into by the Department of Transportation;

7 (2) Any contract for the purchase of supplies from the United States or its agencies or
8 any contract issued by the General Services Administration;

9 (3) Any purchase of supplies or services, other than professional services, by purchasing
10 agencies from any active contract that has been awarded by any government entity
11 by competitive sealed bids or competitive sealed proposals or from any contract that
12 was competitively solicited and awarded within the previous twelve months;

13 (4) Any equipment repair contract;

14 (5) Any procurement of electric power, water, or natural gas; chemical and biological
15 products; laboratory apparatus and appliances; published books, maps, periodicals



- 1 and technical pamphlets; works of art for museum and public display; medical
2 supplies; communications technologies, computer hardware and software, peripheral
3 equipment, and related connectivity; tableware or perishable foods;
- 4 (6) Any supplies, services, and professional services required for externally funded
5 research projects at institutions under the control of the Board of Regents;
- 6 (7) Any property or liability insurance or performance bonds, except that the actual
7 procurement of any insurance or performance bonds by any department of the state
8 government, state institution, and state agency shall be made under the supervision
9 of the Bureau of Administration;
- 10 (8) Any supplies needed by the Department of Human Services or prison industries for
11 the manufacturing of products;
- 12 (9) Any printing involving student activities, conducted by student organizations and
13 paid for out of student fees, at institutions under the control of the Board of Regents.
14 However, nothing in this subdivision exempts, from the requirements of this chapter
15 and chapters 5-18B, 5-18C, and 5-18D, purchases that involve printing for other
16 activities at institutions under the control of the Board of Regents;
- 17 (10) Any purchase of surplus property from another purchasing agency;
- 18 (11) Any animals purchased;
- 19 (12) Any purchase by a school district of perishable food, raw materials used in
20 construction or manufacture of products for resale, or for transportation of students;
- 21 (13) Any authority authorized by chapters 1-16A, 1-16B, 1-16E, 1-16G, 1-16H, 5-12, or
22 11-11;
- 23 (14) Any seeds, fertilizers, herbicides, pesticides, feeds, and supplies used in the operation
24 of farms by institutions under the control of the Board of Regents;

- 1 (15) Any purchase of supplies for any utility owned or operated by a municipality if the
2 purchase does not exceed the limits established in § 5-18A-14; ~~or~~
- 3 (16) For political subdivisions, any contract for asbestos removal in emergency response
4 actions and any contract for services provided by individuals or firms for consultants,
5 audits, legal services, ambulance services, architectural services and engineering,
6 insurance, real estate services, or auction services; or
- 7 (17) Any purchase of supplies or services from a contract established through a
8 Midwestern Higher Education Compact group purchasing program by a competitive
9 sealed bid or a competitive sealed proposal.

10 Section 2. That § 5-18A-11 be amended to read as follows:

11 5-18A-11. Unless otherwise specified by statute, purchases of supplies and services under
12 twenty-five thousand dollars shall be made as follows:

- 13 (1) ~~State~~ Notwithstanding other provisions of chapter 5-18A or 5-18D, the Bureau of
14 Administration may authorize state agencies and institutions to make purchases of
15 supplies over ~~one~~ four thousand dollars and under twenty-five thousand dollars ~~shall~~
16 ~~be processed by the Bureau of Administration and shall be made by first~~ obtaining
17 three quotes from different vendors. If three quotes cannot be obtained, ~~a sole source~~
18 ~~justification shall accompany the purchase request and the Bureau of Administration~~
19 may approve the purchase if in the best interest of the state, require additional quotes
20 to be obtained, or require the purchase be advertised for bids;
- 21 (2) State purchases of supplies under ~~one~~ four thousand dollars may be made in
22 accordance with procedures established by the purchasing agency in the best interests
23 of the state;
- 24 (3) State purchases of services under twenty-five thousand dollars may be made in

1 accordance with procedures established by the purchasing agency in the best interests
2 of the state; and

3 (4) For all other purchasing agencies, purchases under twenty-five thousand dollars may
4 be made in accordance with procedures established by the purchasing agency.

5 No purchases may be artificially divided to constitute a small purchase under this section.