SB 104-FN-A - AS AMENDED BY THE SENATE

02/11/2021 0217s
03/11/2021 0597s

2021 SESSION

21-0403
05/10

SENATE BILL ***104-FN-A***

AN ACT adopting omnibus legislation relative to the classification of state employee positions and reverse auctions.

SPONSORS: Sen. Reagan, Dist 17

COMMITTEE: Executive Departments and Administration

AMENDED ANALYSIS

This bill adopts legislation relative to:

I. The classification of certain state employee positions, as requested by the joint committee on employee classification, established in RSA 14:14-c.

II. Reverse auctions, as requested by the department of administrative services.

- -

Explanation: Matter added to current law appears in ***bold italics.***
Matter removed from current law appears [~~in brackets and struckthrough.~~]
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty One

AN ACT adopting omnibus legislation relative to the classification of state employee positions and reverse auctions.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 Sponsorship. This act consist of the following proposed legislation:

Part I: LSR 21-0403, relative to the classification of certain state employee positions, sponsored by Sen. Reagan, Prime/Dist 17; Sen. Rosenwald, Dist 13; Sen. D'Allesandro, Dist 20; Rep. P. Schmidt, Straf. 19.

Part II: LSR 21-1021, relative to reverse auctions, sponsored by Sen. Carson, Prime/Dist 14.

2 Legislation Enacted. The general court hereby enacts the following legislation:

PART I

Relative to the classification of certain state employee positions.

1 Compensation of Certain State Officers; Salaries Established. Amend the salary grades in RSA 94:1-a, I(b) by deleting:

BB	department of health and human services	program manager
EE	department of health and human services	director of communications
FF	department of health and human services	director, project management
FF	department of health and human services	substance abuse senior policy analyst
FF	department of health and human services	LEAN Coordinator
GG	department of health and human services	substance abuse manager

2 Compensation of Certain State Officers; Salaries Established. Amend the salary grades in RSA 94:1-a, I(b) by inserting:

EE	department of health and human services	process improvement manager
EE	department of health and human services	substance use disorder planning and evaluation manager
FF	department of health and human services	director of communications
FF	department of health and human services	senior project manager
GG	department of health and human services	deputy director, division of economic and housing stability
GG	department of safety	deputy director, division of administration
HH	department of health and human services	director, intergovernmental affairs
HH	department of administrative services	director (administrator), division of plant and

property management

3 Joint Committee on Employee Classification; Chairmanship. Amend RSA 14:14-c, II to read as follow:

II. The committee shall consist of 3 members of the senate, appointed by the senate president, one of whom shall be a member of the senate finance committee, and 3 members of the house of representatives, appointed by the speaker of the house of representatives, one of whom shall be a member of the house finance committee and 2 of whom shall be members of the house committee on executive departments and administration. Members shall be appointed for their term of office. All members shall be eligible for reappointment so long as they are qualified under this section. Members shall be appointed no later than December 30 of the year of their election to the general court, except that vacancies shall be filled for an unexpired term within 30 days of the creation of such vacancy. The chairperson shall be elected by the committee members and shall [~~rotate annually~~] ***alternate every 2 years*** between the house and senate members[~~, provided that a house member shall serve as the first chairperson~~].

4 Compensation of Certain State Officers; Health and Human Services Review; Certain Unclassified Employees. Amend RSA 94:1-f, VI to read as follows:

VI. All reviews and recommendations shall be completed no later than [4] ***7*** years from the effective date of this section. The commissioner of the department of health and human services shall issue a progress report every 6 months from the effective date of this section to the fiscal committee of the general court until the process is completed.

5 Effective Date. Part I of this act shall take effect 60 days after its passage.

PART II

Relative to reverse auctions.

1 New Section; Department of Administrative Services; Electronic Reverse Auctions. Amend RSA 21-I by inserting after section 11-d the following new section:

21-I:11-e Electronic Reverse Auctions.

I. An electronic reverse auction may be conducted at the direction of the director of procurement and support services when it is determined by the commissioner of department of administrative services or designee that it is in the best interests of the state. Such reverse auction shall be conducted with bidders who have prequalified through a request for bids (RFB) process. Factors to be considered in determining whether the state will utilize an electronic reverse auction request for bids shall include:

(a) Whether specifications of requested commodities or services can be prepared that permit electronic posting of bids;

(b) Whether financial opportunity exists associated with cost savings, cost avoidance, or administrative offset, including the indirect or direct cost for preparing and executing the reverse auction; and

(c) Whether the commodities or services to be purchased can be purchased in a competitive marketplace.

II. The director may contract with qualified, industry-recognized third-party vendors to conduct reverse auctions on behalf of the department of administrative services.

III. All reverse auctions shall be conducted electronically using real-time, on-line bidding procedures. These procedures shall include the following:

(a) Participation as a bidder shall be subject to a prequalification process conducted in accordance with requirements and specifications of the reverse auction request for bids. Qualifications summary responses shall be opened so as to avoid disclosure of contents to competing bidders.

(b) The solicitation shall designate both an opening date and time and a closing date and time for bids during the reverse auction. At the opening date and time, the auctioneer shall begin accepting real-time, on-line bids. The solicitation shall remain open until the closing date and time.

(c) At any time before the closing date and time, a bidder may offer a lower bid than the lowest bid of any bidder, including the bidder's own bid. A bidder's lowest bid shall supersede any prior higher bid offered by that bidder. Bid prices may not be increased at any time after the opening date and time.

2 Effective Date. Part II of this act shall take effect 60 days after its passage.

LBA
21-0403
Amended 3/22/21

SB 104-FN-A- FISCAL NOTE

AS AMENDED BY THE SENATE (AMENDMENT #2021-0597s)

AN ACT adopting omnibus legislation relative to the classification of state employee positions and reverse auctions.

PART I Relative to the classification of certain state employee positions.

This part has no fiscal impact.

PART II Relative to reverse auctions.

FISCAL IMPACT: [X] State [X] County [X] Local [ ] None

	Estimated Increase / (Decrease)			
STATE:	**FY 2021**	**FY 2022**	**FY 2023**	**FY 2024**
Appropriation	$0	$0	$0	$0
Revenue	$0	$0	$0	$0
Expenditures	$0	Indeterminable	Indeterminable	Indeterminable
Funding Source:	[X] General	[ ] Education	[ ] Highway	[ ] Other

COUNTY:

Revenue	$0	$0	$0	$0
Expenditures	$0	Indeterminable	Indeterminable	Indeterminable

LOCAL:

Revenue	$0	$0	$0	$0
Expenditures	$0	Indeterminable	Indeterminable	Indeterminable

METHODOLOGY:

This bill states the Department of Administrative Services, Division of Procurement and Support Services may conduct an electronic "reverse auction" when the Department determines it is in the best interest of the state. The process allows vendors to electronically compete against each other to provide items to the state at the lowest price. The Department states this process has been used in the past and may be utilized even without this legislation. The legislation specifies factors to be considered to determine whether a reverse auction is needed and if a third party may conduct the auction for the state and what procedures should be utilized for conducting the auction. The Department is unable to determine the fiscal impact of these provisions due to unknown costs compared to the standard bidding process for future transactions. Counties and

municipalities that obtain items under a state contract may also be impacted by these provisions but such impacts are indeterminable.

It is assumed this bill will be effective July 1, 2021.

AGENCIES CONTACTED:

Department of Administrative Services