

# State of South Dakota

NINETY-THIRD SESSION  
LEGISLATIVE ASSEMBLY, 2018

400Z0528

## HOUSE BILL NO. 1051

Introduced by: The Committee on Commerce and Energy at the request of the Bureau of Administration

1 FOR AN ACT ENTITLED, An Act to revise certain provisions regarding suspension or  
2 debarment of a business by the Bureau of Administration.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That § 5-18D-12 be amended to read:

5 5-18D-12. The Bureau of Administration, after notice to the business involved, may suspend  
6 or debar a business for cause from consideration of any state ~~contracts~~ contract. The suspension  
7 may not exceed ~~three~~ six months and the debarment may not exceed three years. Any action to  
8 debar or suspend shall be conducted by the ~~Bureau of Administration~~ bureau pursuant to chapter  
9 1-26. A business shall exhaust each administrative remedy before commencing any action to  
10 challenge a debarment or suspension.

11 Suspension or debarment may be imposed for:

12 (1) The criminal conviction of or civil judgment against a business or principal, officer,  
13 director, or manager of the business involving fraud or dishonesty;

14 (2) Willful failure or a history of failure to perform in accordance with the terms of one  
15 or more government contracts or transactions;



- 1       (3)   Failure to comply with laws or regulations;
- 2       (4)   Debarment, suspension, or other comparable action by the federal government or  
3       another state;
- 4       (5)   Failure to make delivery or complete the project within the time specified in the  
5       contract or purchase order, or delivery of items that do not comply with the  
6       specifications of a government contract or purchase order;
- 7       (6)   History of offensive behavior in dealing with state employees; or
- 8       (7)   Any other cause of a serious or compelling nature that creates substantial doubt as  
9       to whether the business may be relied upon to fulfill the business's obligations under  
10      any contract awarded to the business.
- 11      The bureau may promulgate rules, pursuant to chapter 1-26, to establish the procedures and  
12      parameters for suspension and debarment of a business.