

State of South Dakota

SEVENTY-SECOND SESSION
LEGISLATIVE ASSEMBLY, 1997

417A0054

SENATE EDUCATION COMMITTEE

ENGROSSED NO. **SB10** - 2/4/97

Introduced by: Senators Lange, Everist, and Thompson and Representatives Duxbury, Hagg, and Moore at the request of the North Dakota/South Dakota Interim Study Commission

1 FOR AN ACT ENTITLED, An Act to authorize the Board of Regents to enter into cooperative
2 purchasing agreements with the North Dakota State Board of Higher Education.

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

4 Section 1. The South Dakota Board of Regents may enter into cooperative purchasing
5 agreements with the North Dakota State Board of Higher Education in order to take advantage
6 of economies of scale that could be realized by pooling the needs of several institutions in both
7 states, each of which conducts substantially similar educational, administrative, and research
8 functions.

9 Section 2. For purposes of this Act, the term, cooperative purchasing agreement, means an
10 agreement that permits any party to the agreement to purchase commodities under contracts that
11 have been competitively bid by another party to the agreement.

12 Section 3. Notwithstanding any other provision of law, the Board of Regents may exercise
13 all powers reasonably necessary to participate as a full and independent partner in a cooperative
14 purchasing agreement, including, without limitation, the power to draw up specifications that will

1 meet the needs of the parties to the agreement, the power to advertise for bids, and the power
2 to accept or reject bids on behalf of the parties to the agreement. If the Board of Regents
3 assumes responsibility under the cooperative agreement to solicit bids for certain commodities,
4 the board shall observe all of the requirements set forth in chapter 5-18, except that the board
5 may purchase at bid price any commodities, materials, supplies, or equipment from contracts that
6 have been competitively bid by any government entity, and except that computer hardware need
7 not be purchased in the manner prescribed in chapter 5-18. In exercising the powers granted by
8 this Act, the Board of Regents is not subject to oversight by the Bureau of Administration or the
9 Bureau of Information and Telecommunications. If the Bureau of Administration objects that
10 reliance upon such a cooperative agreement with the North Dakota State Board of Higher
11 Education to purchase a particular class of commodities, other than commodities that are unique
12 to higher education or that are available to higher education at an educational discount, would
13 jeopardize the price advantage for the state as a whole, the Board of Regents may only enter into
14 a one year trial agreement with the North Dakota State Board of Higher Education for the
15 purchase of that class of commodities. The Bureau of Administration may, during the trial
16 period, enter into contracts for the benefit of other state agencies. The Board of Regents may
17 not extend its agreement with the North Dakota State Board of Higher Education for the
18 challenged class of commodities unless, at the end of the trial year, the sum of the savings to
19 South Dakota higher education plus any cost increases to other South Dakota state agencies
20 yields an overall reduction in price to the state of South Dakota as a whole. However, the Board
21 of Regents may not effect a purchase under a cooperative agreement if the commodity specified
22 is available at a lower price under a contract let by the Bureau of Administration.

1 **BILL HISTORY**

2 January 14 - First read in Senate and referred to Education. S.J. 13

3 January 22 - Scheduled for hearing.

4 January 22 - Deferred to another day.

5 January 27 - Scheduled for hearing.

6 January 29 - Scheduled for hearing.

7 February 3 - Scheduled for hearing.

8 February 3 - Passed as amended, AYES 6, NAYS 1. S.J. 279