

HOUSE RESEARCH

Bill Summary

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This bill raised the lower limit of contracts required to follow a sealed bidding process from \$100,000 to \$175,000. It also extends the range of estimated contract prices that may use direct negotiation. Currently the range is from \$25,000 to \$100,000; the bill would extend it to \$175,000.

The ranges were last increased in 2008, when the threshold amount for sealed bids in the Uniform Municipal Contracting Law was increased from \$50,000 to \$100,000, and the range for direct negotiation went from \$10,000-\$50,000 to \$25,000-\$100,000.

The Uniform Municipal Contracting Law applies to a “municipality” which is defined as “a county, town, city, school district or other municipal corporation or political subdivision of the state authorized by law to enter into contracts.”

A “contract” is “an agreement entered into by a municipality for the sale or purchase of supplies, materials, equipment or the rental thereof, or the construction, alteration, repair or maintenance of real or personal property.”

Applies to contracts entered into on or after August 1, 2018