

1 H.519

2 Introduced by Representatives Wilson of Manchester, Botzow of Pownal, Bray
3 of New Haven, Dickinson of St. Albans Town, Lorber of
4 Burlington, Moran of Wardsboro, Shand of Weathersfield,
5 Smith of Mendon and Till of Jericho

6 Referred to Committee on

7 Date:

8 Subject: Commerce and trade; buy local

9 Statement of purpose: This bill proposes to support local business by
10 supporting “buy local” organizations and amending government procurement
11 practice.

12 An act relating to buy local

13 It is hereby enacted by the General Assembly of the State of Vermont:

14 Sec. 1. ENDORSEMENT OF BUY LOCAL AND VERMONT FIRST

15 ECONOMIC DEVELOPMENT INITIATIVES

16 The general assembly expresses its strong support for local and state-based
17 initiatives, such as “local first, buy local,” community-based initiatives
18 sponsored by local chambers of commerce, and local and state government
19 procurement policies that give priority to locally produced goods and services.
20 These initiatives create a multiplier effect whereby dollars spent by

1 Vermonters within their own communities remain within and significantly
2 strengthen Vermont communities. State and local government should lead by
3 example to promote Vermont-based business.

4 Sec. 2. DEVELOPMENT OF STATEWIDE STRATEGIES TO BENEFIT
5 FROM BUY LOCAL AND IN-STATE INITIATIVES

6 On or before January 15, 2011, the agency of agriculture, food and markets
7 and the agency of commerce and community development shall collaborate
8 and provide a summary report to the house committee on commerce and
9 economic development, the senate committee on finance, and the senate
10 committee on economic development, housing and general affairs, concerning
11 potential statewide strategies to realize the economic development benefits of
12 buy-local and in-state initiatives, including recommendations for aligning
13 government procurement policies with these strategies.

14 Sec. 3. 29 V.S.A. § 903 is amended to read:

15 § 903. REQUISITION FOR SUPPLIES AND MATERIALS

16 (a) When any governmental agency is in need of any of the items
17 mentioned in this chapter, the responsible officer thereof shall requisition
18 therefor upon the commissioner of buildings and general services, and the
19 commissioner of buildings and general services shall purchase the items by
20 either advertising for bids or by letters of inquiry and the contract for those
21 items shall be awarded to the person whose bid or quotation is in the best

1 interest of the state. Subject to the provisions of subsections (b) and (c) of this
2 section the commissioner of buildings and general services may reject any or
3 all bids or quotations and with the approval of the secretary of administration
4 procure items in such manner as may be in the best interest of the state.

5 (b)(1) When purchasing any items or services mentioned in this chapter,
6 the commissioner of buildings and general services, in any determination of
7 the best interest of the state shall consider:

8 ~~(1)~~(A) specified quality;

9 ~~(2)~~(B) price;

10 ~~(3)~~(C) ease of access of supply;

11 ~~(4)~~(D) incidental administrative costs;

12 ~~(5)~~(E) proven reliability of bidder;

13 ~~(6)~~(F) use of recycled materials or products;

14 ~~(7)~~(G) minimizing the creation, by the state, of solid waste;

15 ~~(8)~~(H) the extent to which the usage of the item involves the generation
16 of pollutants;

17 ~~(9)~~(I) life cycle costs, if required under the state agency energy plan, as
18 implemented;

19 ~~(10)~~(J) the interests of the state relating to the proximity of the supplier
20 and the costs of transportation, and relating to the economy of the state and the
21 need to maintain and create jobs in the state; and

1 (h) All bids for service contracts with a value of \$50,000.00 or more
2 submitted to the commissioner shall include an estimate of the number of jobs
3 that would be created if the contract were awarded, and the title, location, and
4 compensation for each job created.

5 Sec. 4. 29 V.S.A. § 161 is amended to read:

6 § 161. REQUIREMENTS ON STATE CONSTRUCTION PROJECTS

7 (a) Bids; selection.

8 (1) When the construction cost of any state project exceeds the sum of
9 \$50,000.00, the commissioner of buildings and general services shall publicly
10 advertise or invite three or more bids. The contract for any such state project
11 or improvement shall be awarded to one of the three lowest responsible
12 bidders, conforming to specification, with consideration being given to
13 quantities involved, time required for delivery, purpose for which required,
14 competency and responsibility of bidder, and his or her ability to render
15 satisfactory service, but the commissioner of buildings and general services
16 with the approval of the secretary of administration, shall have the right to
17 reject any and all bids and to invite other bids.

18 (2) When using the design-build construction delivery process, the
19 commissioner of buildings and general services shall publicly advertise or
20 invite three or more bids. The award of a design-build contract shall be to the
21 bidder determined by the commissioner to be most responsive to evaluation

1 criteria established by the commissioner. Such criteria may include physical
2 plant characteristics proposed, program response to space needs, ability of the
3 design-build team, anticipated development schedule and overall cost
4 considerations, including alternates, allowances and schedule of values.

5 (b) Each contract awarded under this section for any state project with a
6 construction cost exceeding \$100,000.00 and which is authorized or funded in
7 whole or in part by a capital construction act pursuant to section 701a of
8 Title 32, including such a project of the University of Vermont and State
9 Agricultural College and of the Vermont State Colleges, shall provide that all
10 construction employees working on the project shall be paid no less than the
11 mean prevailing wage published periodically by the department of labor in its
12 occupational employment and wage survey.

13 (c) In the construction of any state project, local capable labor shall be
14 utilized whenever practicable, but this section shall not be construed to compel
15 any person to discharge or lay off any regular employee.

16 (d) This section shall not apply to maintenance or construction projects
17 carried out by the departments of highways and of forests, parks and
18 recreation.

19 (e) When considering bids under this section, the commissioner shall
20 consider the interests of the state, relating to the proximity of the supplier and
21 the costs of transportation, and relating to the economy of the state and the

1 need to maintain and create jobs in the state. The commissioner shall utilize an
2 econometric model developed and maintained collaboratively by the
3 economists of the legislative and executive branches to evaluate the net costs
4 of each contract.

5 Sec. 5. 32 V.S.A. § 5930a(d) is amended to read:

6 (d) The council shall apply the cost-benefit model in reviewing applications
7 under subdivisions (b)(1)(A) and (B) of this section to determine the net fiscal
8 benefit to the state. The cost-benefit model shall be a uniform and
9 comprehensive methodology for assessing and measuring the projected net
10 fiscal benefit or cost to the state of proposed economic development activities.
11 Any modification of the cost-benefit model shall be subject to the joint
12 approval of the ~~joint fiscal committee~~ senate committee on finance and the
13 house committee on ways and means. The cost-benefit analysis shall include
14 consideration of the effect of the passage of time and inflation on the value of
15 multi-year fiscal benefits and costs.

16 * * *

17 Sec. 6. STUDY GROUP FOR STATE PURCHASE OF GOODS AND
18 SERVICES

19 There is established a study group to be composed of six members, three
20 appointed by the speaker of the house and three appointed by the senate
21 committee on committees, the purpose of which shall be to evaluate the

1 opportunities and feasibility of increasing the volume of state purchases of
2 goods and services from in-state suppliers. The study group shall report its
3 findings to the house committee on commerce and economic development and
4 the senate committee on economic development, housing and general affairs
5 on or before January 15, 2011.

6 Sec. 7. EFFECTIVE DATE

7 This act shall take effect on passage.