

June 3, 2002

H 1500. LOCAL GOV'T REVERSE AUCTIONS. AMENDING THE LOCAL GOVERNMENT PURCHASING LAWS UNDER THE LAWS RELATING TO PUBLIC CONTRACTS FOR CITIES AND TOWNS. Adds new G.S. 143-129.9 allowing state political subdivisions to use reverse auctions and electronic bidding as two new alternative methods for obtaining formal competitive bids for the purchase of apparatus, supplies, materials, or equipment. Existing requirements for advertising bidding opportunities, timeliness of receipt of bids, contract award standard, and all other requirements of G.S. Ch. 143, Art. 8 (public contracting law) continue to apply to contracts awarded under new section if they are not inconsistent with it. Defines "reverse auction" as a real-time purchasing process under which bidders compete to provide goods at the lowest selling price in an open and interactive environment; bidders' prices may be revealed during the auction. Auction may be conducted by the political subdivision, by a third party under contract with it, or by the political subdivision through the state electronic procurement system. If political subdivision complies with requirements and procedures of state's reverse auction process, it satisfies its obligations under GS Ch. 143, Art. 8. Allows political subdivision to receive bids electronically in addition to or instead of paper bids. Procedures for receipt of electronic bids for formally bid contracts (contracts subject to GS 143-129) must be designed to ensure the security, authenticity, and confidentiality of the bids to at least the same extent as is provided for with sealed paper bids.

Intro. by Tolson.

Ref. to Loc. Gov. I	GS 143
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