

HOUSE BILL 739

By Sanderson

AN ACT to amend Tennessee Code Annotated, Title 12,  
Chapter 3, Part 10 and Section 12-4-126, relative  
to local government purchasing.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 12-3-1004, is amended by deleting subsection (c) and substituting instead the following:

(c) Any municipality, county, utility district, or other local governmental unit of this state may purchase supplies, goods, equipment, and services under the provisions of contracts or price agreements entered into by any other local governmental unit of this state. The purchases shall be made on the same terms and under the same rules and regulations as regular purchases of the purchasing entity. Any local governmental unit which purchases supplies, goods, equipment, or services under this section shall directly handle payment, refunds, returns, and any other communication or requirements involved in the purchase without involving the local governmental unit which originated the contract. The originating local governmental unit shall have no liability or responsibility for any purchases made by another local governmental unit under a contract that the originating local governmental unit negotiated and consummated. Where any local or private act, charter, or general law requires that a local governmental unit purchase by competitive bidding, the local governmental unit may, notwithstanding the local or private act, charter, or general law, purchase without public advertisement or competitive bidding in accordance with this section.

SECTION 2. Tennessee Code Annotated, Section 12-3-1008, is deleted in its entirety.

SECTION 3. Tennessee Code Annotated, Section 12-3-1009, is amended by deleting subsection (b) and substituting instead the following:

(b)

(1) Notwithstanding any other law to the contrary, any municipality county, utility district, or other local government of the state may participate in, sponsor, conduct, or administer a cooperative purchasing agreement for the procurement of any goods, supplies, services, or equipment other than construction, engineering, or architectural services or construction materials with one (1) or more other governmental entities outside this state, to the extent the laws of the other state permit the joint exercise of purchasing authority, in accordance with an agreement entered into between or among the participants, and such goods, supplies, services or equipment other than construction, engineering or architectural services, or construction materials were procured in a manner that constitutes competitive bidding and were advertised, evaluated, and awarded by a governmental entity and made available for use by other government entities. A municipality, county, utility district, or other local government of the state may participate in a master agreement by adopting a resolution accepting the terms of the master agreement. If a participant in a joint or multi-party agreement is required to advertise and receive bids, then it will be deemed sufficient for those purposes that the purchasing entity or the entity that procured the bid complied with its own purchasing requirements.

(2) The powers conferred by this section are in addition and supplemental to the powers conferred by any other law, and any limitations imposed herein shall not affect powers conferred by any other law.

SECTION 4. Tennessee Code Annotated, Section 12-4-126, is amended by deleting the language “within less than forty-eight (48) hours of the bid opening date” and substituting instead the language “within less than forty-eight (48) hours of the bid opening date, excluding weekends and legal holidays designated in § 15-1-101,”.

SECTION 5. Tennessee Code Annotated, Section 12-4-126, is further amended by adding the following language immediately before the period (.) at the end of subsection (a):

unless the bid deadline is extended for a reasonable time determined by the purchasing agent, which shall not be less than forty-eight (48) hours excluding weekends and legal holidays designated in § 15-1-101, to allow for any necessary changes to the bid documents and to allow bidders to resubmit their bids accordingly

SECTION 6. Tennessee Code Annotated, Section 12-4-126, is amended by deleting subsection (b) and renumbering the remaining subsection accordingly.

SECTION 7. This act shall take effect upon becoming a law, the public welfare requiring it.