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442

State of Minnesota

HOUSE OF REPRESENTATIVES

EIGHTY-SIXTH
SESSION

HOUSE FILE NO. **3096**

February 22, 2010

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The bill was read for the first time and referred to the Committee on State and Local Government Operations Reform,
Technology and Elections

March 15, 2010

Committee Recommendation and Adoption of Report:

To Pass as Amended

Read Second Time

1.1 A bill for an act
1.2 relating to state procurement; modifying provisions governing the provision of
1.3 services by rehabilitation facilities, extended employment providers, and day
1.4 training and habilitation service programs; amending Minnesota Statutes 2008,
1.5 section 16C.155.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. Minnesota Statutes 2008, section 16C.155, is amended to read:

1.8 **16C.155 JANITORIAL CONTRACTS; REHABILITATION PROGRAMS**
1.9 **AND EXTENDED EMPLOYMENT PROVIDERS.**

1.10 Subdivision 1. **Service contracts.** The commissioner of administration shall ensure
1.11 that a portion of all ~~janitorial services~~ contracts for janitorial services; document imaging;
1.12 document shredding; and mailing, collating, and sorting services be awarded by the state
1.13 to rehabilitation programs and extended employment providers ~~listed under section~~
1.14 ~~16C.15~~ that are certified by the commissioner of employment and economic development,
1.15 and day training and habilitation services licensed under sections 245B.01 to 245B.08.
1.16 The amount of each contract awarded under this section may exceed the estimated fair
1.17 market price as determined by the commissioner for the same goods and services by up
1.18 to six percent. The ~~total~~ aggregate value of the contracts awarded to eligible providers
1.19 under this section in any given year must exceed 19 percent of the total value of ~~janitorial~~
1.20 ~~services~~ all contracts for janitorial services; document imaging; document shredding; and
1.21 mailing, collating, and sorting services entered into in the ~~previous fiscal~~ same year. The
1.22 ~~amount of each contract awarded under this section may exceed the estimated fair market~~
1.23 ~~price for the same goods and services by up to five percent~~ For the 19 percent requirement
1.24 to be applicable in any given year, the contract amounts proposed by eligible providers

2.1 must be within six percent of the estimated fair market price for at least 19 percent of the
2.2 contracts awarded for the corresponding service area.

2.3 Subd. 2. **Agency notification.** (a) On an annual basis, eligible service providers
2.4 shall provide the following information to the commissioner in a format prescribed by
2.5 the commissioner:

2.6 (1) the address for all locations where the service provider operates;

2.7 (2) the name, telephone number, and e-mail address for a contact person at each
2.8 location;

2.9 (3) the capacity of the organization, by location, to provide the services identified in
2.10 subdivision 1; and

2.11 (4) the state of Minnesota vendor number for the provider.

2.12 (b) The commissioner shall annually provide notice of the contracting requirements
2.13 under subdivision 1 to all state authorities for local purchasing buyers, as determined by
2.14 the commissioner. The list shall include the names and principal addresses of the eligible
2.15 service providers and the information provided to the commissioner by eligible service
2.16 providers under paragraph (a). The commissioner shall inform each authority for local
2.17 purchasing buyers of:

2.18 (1) the requirements of subdivision 1;

2.19 (2) the policy adopted by the commissioner to implement subdivision 1;

2.20 (3) the applicable commodity codes for each service identified in subdivision 1;

2.21 (4) the need for each authority for local purchasing buyers to record the applicable
2.22 commodity code for each contract entered into under subdivision 1 and for each contract
2.23 covering one of the service areas identified in subdivision 1; and

2.24 (5) the authority granted to the authority for local purchasing buyers to contract
2.25 directly with the eligible providers as provided in section 16C.10.

2.26 Subd. 3. **Contract tracking and annual report.** The commissioner shall track,
2.27 by the commodity code for each service area identified in subdivision 1, each contract
2.28 entered into pursuant to this section. By February 15 of each year, the commissioner shall
2.29 submit the following information for the previous fiscal year to the chairs and ranking
2.30 members of the legislative committees with jurisdiction over workforce development:

2.31 (1) the value of the contracts awarded to eligible service providers for each of the
2.32 applicable commodity codes; and

2.33 (2) the total value for all contracts awarded in each of the service areas identified in
2.34 subdivision 1.