

**BILL SUMMARY**  
2<sup>nd</sup> Session of the 58<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>SB 1567</b>
<b>Version:</b>	<b>Engrossed</b>
<b>Request Number:</b>	
<b>Author:</b>	<b>Rep. Bush</b>
<b>Date:</b>	<b>4/7/2022</b>
<b>Impact:</b>	<b>No fiscal impact anticipated</b>

**Research Analysis**

SB 1567 modifies the framework and guidelines of the State Use Committee and the State Use Program.

Major modifications include:

- Establishing the State Use Advisory Council in place of the State Use Committee, reducing the number of council members from eight to seven and requiring the Council to meet at least twice a year to exchange ideas to market and improve the Council;
- Transferring authority over the State Use Program from the State Use Committee to the Office of Management and Enterprise Services (OMES) Central Purchasing Division and the State Purchasing Director;
- Authorizing the OMES Central Purchasing Division to designate and distribute products directly manufactured or services directly performed by any person with significant disabilities;
- Authorizing the OMES Central Purchasing Division to award and manage contracts to qualified organizations as well as to renegotiate or cancel contracts when appropriate. It also establishes that products and services on contract will be published on the procurement schedule and will be designated as mandatory;
- Authorizing the State Purchasing Director to administer and oversee the State Use Program including promulgating rules, determining qualifications for participating organizations, contracting with organizations for products, determining fair market price for products and services, determining publication of a procurement schedule, contracting with a central nonprofit agency to facilitate program operations and assessing a contract management fee or levy, which should be deposited in the State Use Advisory Council Revolving Fund;
- Establishing that the State Use Advisory Council Revolving Fund be used for salaries, administrative costs, annual trainings, professional association memberships, qualified agency operational improvement grants, periodic economic advantage studies, annual report development and all other expenses related to promoting goods and services provided by qualified organizations;
- Authorizing any municipality or county to purchase products and services from any qualified organization;
- Requiring the OMES Central Purchasing Division to perform an annual qualified organization pricing review for all products and services approved and designated on the procurement schedule;
- Requiring OMES to annually submit a strategic plan for the State Use Program to the President Pro Tempore of the Senate, the Speaker of the House of Representatives and the Governor; and
- Repealing [Title 74 Section 3010](#), which relates to Municipality or County Agency Authority to Purchase Products and Services from Sheltered Workshops.

Prepared By: Keana Swadley

**Fiscal Analysis**

In its current form, SB 1567 is not expected to have a direct fiscal impact on agencies' budgets or the state's revenue.

Prepared By: Nathan Shugart

**Other Considerations**

None.