



# **120th MAINE LEGISLATURE**

# **SECOND REGULAR SESSION-2002**

Legislative Document

No. 2034

H.P. 1531

House of Representatives, December 26, 2001

## An Act to Provide Fairness in State Bid Criteria.

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 203.

Received by the Clerk of the House on December 19, 2001. Referred to the Committee on Labor pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

Mullicent M. Mac Jailand

MILLICENT M. MacFARLAND, Clerk

Presented by Representative CARR of Lincoln.

Under suspension of the rules, cosponsored by President Pro Tem MICHAUD of Penobscot and Representatives: BERRY of Livermore, COLWELL of Gardiner, GOODWIN of Pembroke, LaVERDIERE of Wilton, MAYO of Bath, McGLOCKLIN of Embden, SHERMAN of Hodgdon, STANLEY of Medway, TREADWELL of Carmel, Senators: DAVIS of Piscataquis, KILKELLY of Lincoln.

### Be it enacted by the People of the State of Maine as follows:

Sec. 1. 26 MRSA §1301, as amended by PL 1995, c. 524, §2, is 4 repealed and the following enacted in its place:

6 §1301. Local residents preferred

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8 **1. Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

- 12 A. "In-state bidder" means a bidder:
- 14 (1) Whose principal place of business or a branch of the bidder's principal place of business is located in this State; and
- 18 (2) With at least 75% of its employees performing the conditions of a contract being state residents.

2. Preference; exceptions. The State, a county, city or 22 town, and every charitable or educational institution that is supported in whole or in part by aid granted by the State or by 24 any municipality shall, in the awarding of a contract for constructing, altering, repairing, furnishing or equipping its 26 buildings or public works, give preference to an in-state bidder, provided the bid submitted by the in-state bidder is no more than 28 10% over a bid submitted by a bidder from outside the State. This section does not apply to construction or repairs amounting 30 to less than \$1,000 or to emergency work or state road work. The preference in this section applies to contracts involving funds obtained from the Federal Government unless expressly prohibited 32 by the laws of the United States or regulations adopted pursuant 34 to those laws.

 36 3. Contract for public improvement. Any contract for public improvement that is awarded by the State or any department
38 or agency of the State is subject to the competitive bidding process established under Title 5, chapter 155, subchapter I-A.

#### SUMMARY

This bill gives preference in the award of construction and contracts by the State and its 44 public works political subdivisions to in-state bidders, provided their bids are no more than 10% over bids submitted by out-of-state bidders. The bill 46 defines "in-state bidder" as a bidder whose principal place of business or a branch of the bidder's principal place of business 48 is located in this State and with at least 75% of its employees performing the conditions of a contract being state residents. 50