

HB 678-FN - AS INTRODUCED

2015 SESSION

15-0791  
05/10

HOUSE BILL            ***678-FN***

AN ACT                requiring evaluation of vendor performance on certain state contracts.

SPONSORS:            Rep. Seidel, Hills 28; Rep. Ferreira, Hills 28; Sen. Avard, Dist 12

COMMITTEE:          Finance

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ANALYSIS

This bill requires state agencies to evaluate vendor performance on certain state contracts.

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Explanation:          Matter added to current law appears in ***bold italics***.  
Matter removed from current law appears [~~in brackets and struck through.~~]  
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Fifteen*

AN ACT                    requiring evaluation of vendor performance on certain state contracts.

*Be it Enacted by the Senate and House of Representatives in General Court convened:*

1            1 New Paragraph; Department of Administrative Services; Vendor Performance Evaluations.  
2 Amend RSA 21-I by inserting after section 11-c the following new section:

3            21-I:11-d Vendor Performance Evaluations.

4            I. Upon completion of a state contract in excess of \$50,000, the contract manager for the  
5 agency shall complete a brief evaluation, no longer than one page, of the vendor's performance. The  
6 evaluation shall include information on the quality of the work, whether it was completed on time  
7 and under or over budget, whether the work was acceptable, and any other appropriate items  
8 identified in the contract. The evaluation shall be completed within 30 days of contract completion,  
9 shall be retained by the contracting agency, and shall be available upon request to evaluate past  
10 performance of individual vendors.

11            II. The contracting agency shall provide an opportunity for the vendor to respond in writing  
12 to the performance evaluation. The vendor's response shall be made an addendum of the evaluation  
13 and included with any request for the evaluation.

14            III. Upon notice from the contracting agency, the department of administrative services  
15 shall indicate, in separate column of the contract spreadsheet maintained by the department, that an  
16 evaluation was completed and shall identify the vendor, the date of evaluation, and the agency  
17 contact who will provide the evaluation upon request. The commissioner of the department of  
18 administrative services shall develop, by rule under RSA 541-A, guidelines for vendor performance  
19 evaluations, including a standard evaluation form.

20            2 Effective Date. This act shall take effect 60 days after its passage.

**HB 678-FN FISCAL NOTE**

AN ACT requiring evaluation of vendor performance on certain state contracts.

**FISCAL IMPACT:**

The Department of Administrative Services states this bill, **as introduced**, may increase state expenditures by an indeterminable amount in FY 2016 and each year thereafter. There will be no fiscal impact on county and local expenditures, or state, county, and local revenue.

**METHODOLOGY:**

The Department of Administrative Services states this bill requires state agencies to evaluate vendor performance on contracts exceeding \$50,000. Under this bill, the Department would be responsible to develop the evaluation form, guidelines, and rules; oversee hearings from vendors; and post completed evaluations. The Department reports that the respective state agencies will be responsible to ensure that they complete the required vendor evaluations and any vendor rebuttals and notify the Department as required. There are approximately 1,400 contracts annually valued at over \$50,000, and the Department assumes it needs to hire a full time hearings officer (LG 26) beginning December 1, 2015 at the following costs:

	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
Hearings Officer Salary	\$28,927	\$51,773	\$54,035	\$56,394
Benefits	\$22,536	\$28,208	\$29,805	\$31,493
Current Expense	\$250	\$250	\$250	\$250
Equipment	\$2,350	\$0	\$0	\$0
Software	\$2,000	\$200	\$200	\$200
Telecommunications	\$300	\$600	\$600	\$600
In State Travel	\$150	\$300	\$300	\$300
<b>Total</b>	<b>\$56,513</b>	<b>\$81,331</b>	<b>\$85,190</b>	<b>\$89,237</b>

This bill does not contain an appropriation or authorization for new positions.