



2023-2024 General Assembly

HOUSE BILL 259: 2023 Appropriations Act, Sec. 20.3: Procurement Benchmark/Department of Agriculture and Consumer Services

Committee:		Date:	December 12, 2023
Introduced by:		Prepared by:	Brad Krehely Staff Attorney
Analysis of:	Sec. 20.3 of S.L. 2023-134		

OVERVIEW: Section 20.3 of S.L. 2023-134 provides that for purposes of competitive bidding, the bid value benchmark for the Department of Agriculture and Consumer Services is \$250,000 (originally was not greater than \$100,000). This section became effective July 1, 2023, and applies to the purchase of goods and services on or after that date.

CURRENT LAW: Under G.S. 143-53(a)(2), the Secretary of Administration can adopt rules prescribing the routine, including consistent contract language, for securing bids on items that do not exceed the bid value benchmark established under the provisions of G.S. 143-53.1. The bid value benchmark for securing offers for each State department, institution, and agency established under the provisions of G.S. 143-53.1 must be determined by the Director of the Division of Purchase and Contract following the Director's consultation with the State Budget Officer and the State Auditor. The Director for the Division of Purchase and Contract can set or lower the benchmark or raise the benchmark upon written request by the agency after consideration of their overall capabilities. The bid value benchmark maximum authorized by G.S. 143-53.1(a) must not be greater than \$100,000 for State departments, institutions, and agencies, except the President of The University of North Carolina or a special responsibility constituent institution of The University of North Carolina and community colleges.

BILL ANALYSIS: Section 20.3 of S.L. 2023-134 provides that the bid value benchmark for the Department of Agriculture and Consumer Services is \$250,000 (originally was not greater than \$100,000).

EFFECTIVE DATE: This section became effective July 1, 2023, and applies to the purchase of goods and services on or after that date.

BACKGROUND: According to the North Carolina Department of Administration, "Delegations provide dollar thresholds that govern any agency's authority to procure goods and services. Agencies can purchase goods and services valued less than the agency's general delegation without involvement from the Division of Purchase and Contract. . . ." Any transaction that exceeds an entity's general delegation or benchmark must be reviewed and approved by the Division of Purchase and Contract unless it is otherwise exempted. [2022 North Carolina Procurement Manual at 11-12.](#)

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