

David Shallenberger proposes the following substitute bill:

**Procurement Amendments**

2026 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: David Shallenberger**

Senate Sponsor: Brady Brammer

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**LONG TITLE**

**General Description:**

This bill modifies provisions of Title 63G, Chapter 6a, Utah Procurement Code.

**Highlighted Provisions:**

This bill:

- defines the term "resident supplier";
- authorizes the rulemaking authority for a procurement unit to make rules governing small purchases that encourage procurements from resident suppliers over non-resident suppliers;
- modifies the process to create an approved vendor list;
- requires the rulemaking authority to create a procedure to ensure vendors on an approved vendor list that are resident suppliers have increased opportunity to compete for a contract for a procurement item in comparison to non-resident suppliers on the approved vendor list;
- provides that a procurement unit shall give a preference to bidders that certify on the bid that the bidder qualifies as a resident supplier; and
- makes technical and conforming changes.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

**63G-6a-506**, as last amended by Laws of Utah 2025, Chapter 69

**63G-6a-507**, as last amended by Laws of Utah 2020, Chapter 257

ENACTS:

29 **63G-6a-1005**, Utah Code Annotated 1953

30

31 *Be it enacted by the Legislature of the state of Utah:*

32 Section 1. Section **63G-6a-506** is amended to read:

33 **63G-6a-506 . Small purchases.**

34 (1) As used in this section:

35 (a) "Annual cumulative threshold" means the maximum total annual amount, established  
36 by the rulemaking authority under Subsection (2), that a procurement unit may  
37 expend to obtain procurement items from the same source under this section.

38 (b) "Individual procurement item threshold" means the maximum amount, established  
39 by the rulemaking authority under Subsection (2), for which a procurement unit may  
40 purchase a procurement item under this section.

41 (c) "Resident supplier" means the same as that term is defined in Section 63G-6a-1005.

42 [(e)] (d) "Single procurement aggregate threshold" means the maximum total amount,  
43 established by the rulemaking authority under Subsection (2), that a procurement unit  
44 may expend to obtain multiple procurement items from one source at one time under  
45 this section.

46 (2)(a) The rulemaking authority may make rules governing small purchases of any  
47 procurement item, including construction, job order contracting, design professional  
48 services, other professional services, information technology, and goods.

49 (b) Rules under Subsection (2)(a) may include provisions:

50 (i) establishing expenditure thresholds, including:

51 (A) an annual cumulative threshold;

52 (B) an individual procurement item threshold; and

53 (C) a single procurement aggregate threshold;

54 (ii) establishing procurement requirements relating to the thresholds described in  
55 Subsection (2)(b)(i);~~and~~

56 (iii) providing for the use of electronic, telephone, or written quotes~~[-]~~ ; and

57 (iv) encouraging procurements from resident suppliers over non-resident suppliers,  
58 when available.

59 (c) If a procurement unit obtains administrative law judge service through a small  
60 purchase standard procurement process, rules made under Subsection (2)(a) shall  
61 provide that the process for the procurement of administrative law judge service  
62 include an evaluation committee described in Subsection 63G-6a-116(3).

- 63 (3) Expenditures made under this section by a procurement unit may not exceed a threshold  
64 established by the rulemaking authority, unless the procurement official gives written  
65 authorization to exceed the threshold that includes the reasons for exceeding the  
66 threshold.
- 67 (4) Except as provided in Subsection (5), an executive branch procurement unit may not  
68 obtain a procurement item through a small purchase standard procurement process if the  
69 procurement item may be obtained through a state cooperative contract or a contract  
70 awarded by the chief procurement officer under Subsection 63G-6a-2105(1).
- 71 (5) Subsection (4) does not apply if:
- 72 (a) the procurement item is obtained for an unanticipated, urgent, or emergency  
73 condition, including:
- 74 (i) an item needed to avoid stopping a public construction project;  
75 (ii) an immediate repair to a facility or equipment; or  
76 (iii) another emergency condition; or
- 77 (b) the chief procurement officer or the procurement official of a procurement unit that  
78 is an executive branch procurement unit with independent procurement authority:
- 79 (i) determines in writing that it is in the best interest of the procurement unit to obtain  
80 an individual procurement item outside of the state contract, comparing:
- 81 (A) the contract terms and conditions applicable to the procurement item under the  
82 state contract with the contract terms and conditions applicable to the  
83 procurement item if the procurement item is obtained outside of the state  
84 contract;
- 85 (B) the maintenance and service applicable to the procurement item under the  
86 state contract with the maintenance and service applicable to the procurement  
87 item if the procurement item is obtained outside of the state contract;
- 88 (C) the warranties applicable to the procurement item under the state contract with  
89 the warranties applicable to the procurement item if the procurement item is  
90 obtained outside of the state contract;
- 91 (D) the quality of the procurement item under the state contract with the quality of  
92 the procurement item if the procurement item is obtained outside of the state  
93 contract; and
- 94 (E) the ability of the vendor under the state contract to match the quoted cost of  
95 the procurement item if the procurement item is obtained outside of the state  
96 contract;

- 97 (ii) for a procurement item that, if defective in its manufacture, installation, or  
98 performance, may result in serious physical injury, death, or substantial property  
99 damage, determines in writing that the terms and conditions, relating to liability  
100 for injury, death, or property damage, available from the source other than the  
101 contractor who holds the state contract, are similar to, or better than, the terms and  
102 conditions available under the state contract; and
- 103 (iii) grants an exception, in writing, to the requirement described in Subsection (4).
- 104 (6) Except as otherwise expressly provided in this section, a procurement unit:
- 105 (a) may not use the small purchase standard procurement process described in this  
106 section for ongoing, continuous, and regularly scheduled procurements that exceed  
107 the annual cumulative threshold; and
- 108 (b) shall make its ongoing, continuous, and regularly scheduled procurements that  
109 exceed the annual cumulative threshold through a contract awarded through another  
110 standard procurement process described in this chapter or an applicable exception to  
111 another standard procurement process, described in Part 8, Exceptions to  
112 Procurement Requirements.
- 113 (7) This section does not prohibit regularly scheduled payments for a procurement item  
114 obtained under another provision of this chapter.
- 115 (8)(a) It is unlawful for a person knowingly to divide a single procurement into multiple  
116 smaller procurements, including by dividing an invoice or purchase order into  
117 multiple invoices or purchase orders, if:
- 118 (i) the single procurement would not have qualified as a small purchase under this  
119 section;
- 120 (ii) one or more of the multiple smaller procurements qualify as a small purchase  
121 under this section; and
- 122 (iii) the division is done with the intent to:
- 123 (A) avoid having to use a standard procurement process, other than the small  
124 purchase process, that the person would otherwise be required to use for the  
125 single procurement; or
- 126 (B) make one or more of the multiple smaller procurements fall below a small  
127 purchase expenditure threshold established by rule under Subsection (2)(b) that  
128 the single procurement would not have fallen below without the division.
- 129 (b) A violation of Subsection (8)(a) is subject to penalties as provided in Subsection  
130 63G-6a-2404.3(2).

131 (9) The Division of Finance within the Department of Government Operations may conduct  
132 an audit of an executive branch procurement unit to verify compliance with the  
133 requirements of this section.

134 (10) An executive branch procurement unit may not make a small purchase after January 1,  
135 2014, unless the chief procurement officer certifies that the person responsible for  
136 procurements in the procurement unit has satisfactorily completed training on this  
137 section and the rules made under this section.

138 Section 2. Section **63G-6a-507** is amended to read:

139 **63G-6a-507 . Approved vendor list procurement process.**

140 (1) As used in this section:

141 (a) "Closed-ended approved vendor list" means an approved vendor list that is subject to:

142 (i) a short period of time, specified by the procurement unit, during which vendors  
143 may be added to the list; and

144 (ii) a specified period of time after which the list will expire.

145 (b) "Open-ended approved vendor list" means an approved vendor list that is subject to:

146 (i) an indeterminate period of time during which vendors may be added to the list;

147 (ii) the addition of vendors to the list throughout the term of the list; and

148 (iii) a specified period of time after which the procurement unit is required to verify  
149 that vendors on the list continue to meet the minimum mandatory requirements,  
150 evaluation criteria, and applicable score thresholds.

151 (c) "Resident supplier" means the same as that term is defined in Section 63G-6a-1005.

152 (2) A procurement unit may not establish an approved vendor list unless the procurement  
153 unit has first completed the statement of qualifications process described in Section  
154 63G-6a-410.

155 (3)(a) A procurement unit may establish an approved vendor list for:

156 (i) a specific, fully defined procurement item; or

157 (ii) a future procurement item that is not specifically and fully defined, if the request  
158 for statement of qualifications contains a general description of:

159 (A) the procurement item; and

160 (B) the type of vendor that the procurement unit seeks to provide the procurement  
161 item.

162 (b) A procurement unit may not award a contract to a vendor on an approved vendor list  
163 for a procurement item that is outside the scope of the general description of the  
164 procurement item contained in the request for statement of qualifications.

- 165 (4) After receiving the statements of qualifications and evaluation scores submitted by the  
166 evaluation committee under Subsection 63G-6a-410(9)(f), the procurement official of  
167 the procurement unit using the request for statement of qualifications process under  
168 Section 63G-6a-410 as part of an approved vendor list process shall:
- 169 (a) include on an approved vendor list those vendors meeting the minimum mandatory  
170 requirements, evaluation criteria, and applicable score thresholds;~~and~~
  - 171 (b) reject any vendor not meeting the minimum mandatory requirements, evaluation  
172 criteria, and applicable score thresholds as ineligible for inclusion on the approved  
173 vendor list~~;~~ and
  - 174 (c) indicate on an approved vendor list those vendors that qualify as a resident supplier,  
175 if the vendor includes that information in the vendor's statement of qualifications.
- 176 (5)(a) A procurement unit shall include approved vendors on a closed-ended approved  
177 vendor list or an open-ended approved vendor list.
- 178 (b)(i) A closed-ended approved vendor list shall expire no later than 18 months after  
179 the publication of the closed-ended approved vendor list.
  - 180 (ii) A procurement unit shall verify, no less frequently than every 18 months, by a  
181 method approved by the procurement official, that each vendor on an open-ended  
182 approved vendor list continues to meet the minimum mandatory requirements,  
183 evaluation criteria, and applicable score thresholds.
- 184 (6) A procurement unit may:
- 185 (a)(i) using a bidding process, request for proposals process, small purchase process,  
186 or design professional procurement process, award a contract to a vendor on an  
187 approved vendor list for any procurement item or type of procurement item  
188 specified by the procurement unit in the request for statement of qualifications,  
189 including procurement items that the procurement unit intends to acquire in a  
190 series of future procurements described in the request for statement of  
191 qualifications; and
  - 192 (ii) limit participation in a bidding process, request for proposals process, small  
193 purchase process, or design professional procurement process to vendors on an  
194 approved vendor list; or
  - 195 (b) award a contract to a vendor on an approved vendor list at a price established as  
196 provided in Section 63G-6a-113.
- 197 (7)(a) After establishing an approved vendor list as provided in this section, a  
198 conducting procurement unit shall, before using the approved vendor list, submit the

- 199 approved vendor list to the issuing procurement unit.
- 200 (b) An issuing procurement unit that receives an approved vendor list under Subsection  
201 (7)(a) shall make the approved vendor list available to the public.
- 202 (8) A conducting procurement unit administering an open-ended approved vendor list shall:
- 203 (a) require a vendor seeking inclusion on the approved vendor list to submit a statement  
204 of qualifications that complies with all requirements applicable at the time of the  
205 initial request for statement of qualifications; and
- 206 (b) if modifying the requirements for inclusion on the approved vendor list, apply any  
207 new or additional requirement to all vendors equally, whether a vendor is seeking  
208 inclusion on the approved vendor list for the first time or is already included on the  
209 approved vendor list.
- 210 (9) A rulemaking authority shall make rules pertaining to an approved vendor list process,  
211 including:
- 212 (a) procedures to ensure that:
- 213 (i) all vendors on an approved vendor list that are resident suppliers have a fair and  
214 equitable opportunity to compete for a contract for a procurement item in  
215 comparison to other resident suppliers on the approved vendor list;
- 216 (ii) all vendors on an approved vendor list that are not resident suppliers have a fair  
217 and equitable opportunity to compete for a contract for a procurement item in  
218 comparison to other non-resident suppliers on the approved vendor list; and
- 219 (iii) vendors on an approved vendor list that are resident suppliers have a greater  
220 opportunity to compete for a contract for a procurement item in comparison to  
221 non-resident suppliers on the approved vendor list; and
- 222 (b) requirements for using an approved vendor list with the small purchase process.
- 223 Section 3. Section **63G-6a-1005** is enacted to read:
- 224 **63G-6a-1005 . Preference for resident suppliers.**
- 225 (1) As used in this section, "resident supplier" means a person, partnership, corporation, or  
226 other business entity that:
- 227 (a) maintains a principal place of business in Utah;
- 228 (b) is registered and in good standing with the Division of Corporations and Commercial  
229 Code created in Section 13-1a-1; and
- 230 (c) has maintained the principal place of business described in Subsection (1)(a) for at  
231 least one year before the day on which bids or requests for qualifications were first  
232 solicited.

233 (2) The provisions of this section apply if the provisions of Sections 63G-6a-1002 and  
234 63G-6a-1003 do not apply.

235 (3)(a) For a procurement that is awarded based on evaluation criteria with assigned point  
236 values, an issuing procurement unit shall award a resident supplier additional points  
237 equal to 10% of the total available evaluation points.

238 (b) The additional points described in Subsection (3)(a) shall be added to the resident  
239 supplier's final evaluation score.

240 (c) The preference described in this Subsection (3):

241 (i) is waived if the certification that the ~~§~~→ **[bidder]** vendor ←~~§~~  
241a qualifies as a resident supplier does

242 not appear on the bid or proposal; and

243 (ii) does not apply if application of the preference might jeopardize the receipt of  
244 federal funds.

245 Section 4. **Effective Date.**

246 This bill takes effect on May 6, 2026.