

AMENDED IN ASSEMBLY JUNE 11, 2012

AMENDED IN SENATE MAY 25, 2012

AMENDED IN SENATE APRIL 25, 2012

AMENDED IN SENATE APRIL 17, 2012

SENATE BILL

No. 1427

**Introduced by Senator De León
(Coauthor: Senator Corbett)**

February 24, 2012

An act to add Article 5 (commencing with Section 12230) to Chapter 4 of Part 2 of Division 2 of the Public Contract Code, relating to public contracts.

LEGISLATIVE COUNSEL'S DIGEST

SB 1427, as amended, De León. State contracts: electronic goods: bid preference for refurbished electronics.

Existing law requires a state agency to meet certain requirements with respect to purchasing recycled products, as specified. Existing law requires a local public entity, if fitness and quality are equal, to purchase recycled products instead of nonrecycled products whenever recycled products are available, as specified, and authorizes a local public entity to give preference to suppliers of recycled products.

The Target Area Contract Preference Act requires the state, when preparing a solicitation for a contract for goods or services in excess of \$100,000, to award a preference to a California-based company that meet specified requirements, and the act also limits the maximum preference for a bidder under that act and all laws to a cumulative 15% or \$100,000, as provided.

This bill would require a state agency that accepts bids or proposals for a contract for electronic goods to provide a preference of 5%, as specified, to a company that offers to fulfill the contract only with refurbished electronics, as defined. This bill would also specify that the maximum preference under this bill and all laws is a cumulative 15% or \$100,000, as provided.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Article 5 (commencing with Section 12230) is added to Chapter 4 of Part 2 of Division 2 of the Public Contract Code, to read:

Article 5. Refurbished Electronics Preference

12230. (a) For the purposes of this article, “refurbished electronics” means any electronic device that the manufacturer has tested and returned to a condition that meets factory specifications for the device, has repackaged, and has labeled as refurbished.

(b) Notwithstanding any other law, any state agency that accepts bids or proposals for a contract for electronic goods shall provide a preference of 5 percent to a bidder that offers to fulfill the entire contract only with refurbished electronics. The preference shall be provided as follows:

(1) For solicitations to be awarded to the lowest responsible bidder meeting specifications, the preference shall be 5 percent of the bid price ~~of the lowest responsible bidder meeting specifications.~~

(2) For solicitations to be awarded to the highest scored bidder based on evaluation factors in addition to price, the preference shall be 5 percent of the total score ~~of the highest scored bidder.~~

(3) The preferences awarded pursuant to paragraph (1) or (2) shall not be awarded to a noncompliant bidder and shall not be used to satisfy any applicable minimum requirements.

(4) In order to be eligible for the 5-percent preference authorized pursuant to this section, a bidder shall submit all required

1 substantiating documentation and information needed by the state
2 agency to determine if the bidder is eligible for the preference.

3 (5) Notwithstanding any other law, both of the following apply:

4 (A) The maximum preference a bidder may be awarded pursuant
5 to this article and any other provision of law shall be 15 percent.

6 (B) The combined cost of preferences granted pursuant to this
7 article and any other provision of law shall not exceed one hundred
8 thousand dollars (\$100,000).

9 (c) The Department of General Services shall establish a process
10 to verify that a bidder meets the criteria for the 5-percent preference
11 established by this article.

12 (d) This section shall not be construed to require a state agency
13 to compromise its immediate mission or ability to function and
14 carry out its existing responsibilities.