

1 AN ACT relating to state procurement.

2 ***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

3 ➔Section 1. KRS 45A.100 is amended to read as follows:

4 (1) Procurements may be made in accordance with small purchase administrative
5 regulations promulgated by the secretary of the Finance and Administration
6 Cabinet, ***in accordance with***~~[pursuant to]~~ KRS Chapter 13A, as follows:

7 (a) Up to ~~*fifty*~~~~[ten]~~ thousand dollars ~~*(\$50,000)*~~~~[(*\$10,000*)]~~ per project for
8 construction and ***seven thousand five hundred***~~[one thousand]~~ dollars
9 ~~*(\$7,500)*~~~~[(*\$1,000*)]~~ for purchases by any state governmental body, except for
10 those state administrative bodies specified in paragraph (b) of this subsection;
11 and

12 (b) Up to one hundred thousand dollars (\$100,000) per project for construction or
13 purchases by the Finance and Administration Cabinet, state institutions of
14 higher education, and the legislative branch of government.

15 (2) Procurement requirements shall not be artificially divided so as to constitute a small
16 purchase under this section. Reverse auctions may be used for small purchase
17 procurements. At least every two (2) years, the secretary shall review the prevailing
18 costs of labor and materials and ~~*shall*~~~~[may]~~ make recommendations to the next
19 regular session of the General Assembly for the revision of the~~[then-current]~~
20 maximum small purchase ***amounts in subsection (1) of this section***~~[amount]~~ as
21 justified by intervening changes in the cost of labor and materials.

22 (3) The secretary of the Finance and Administration Cabinet may grant to any state
23 agency with a justifiable need a delegation of small purchasing authority which
24 exceeds the agency's small purchase limit provided in subsection (1) of this section.
25 Delegations of small purchasing authority shall be granted or revoked by the
26 secretary of the Finance and Administration Cabinet, in accordance with
27 administrative regulations promulgated by the cabinet ***in accordance with***~~[pursuant~~

1 ~~to~~ KRS Chapter 13A. These administrative regulations shall establish, at a
2 minimum, the criteria for granting and revoking delegations of small purchasing
3 authority, including the requesting agency's past compliance with purchasing
4 regulations, the level of training of the agency's purchasing staff, and the extent to
5 which the agency utilizes the Kentucky Automated Purchasing System. The
6 administrative regulations may permit the secretary of the Finance and
7 Administration Cabinet to delegate small purchase procurements up to the
8 maximum amount specified in subsection (1)(b) of this section.