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Procurement Amendments
2026 GENERAL SESSION
STATE OF UTAH
Chief Sponsor: David Shallenberger
Senate Sponsor:

2

3 LONG TITLE

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General Description:

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

6

Highlighted Provisions:

7 This bill:

8 ▶ defines the term "resident supplier";

9 ▶ authorizes the rulemaking authority for a procurement unit to make rules governing small
10 purchases that encourage procurements from resident suppliers over non-resident
11 suppliers;

12 ▶ modifies the process to create an approved vendor list;

13 ▶ requires the rulemaking authority to create a procedure to ensure vendors on an approved
14 vendor list that are resident suppliers have increased opportunity to compete for a
15 contract for a procurement item in comparison to non-resident suppliers on the approved
16 vendor list;

17 ▶ provides that a procurement unit shall give a preference to bidders that certify on the bid
18 that the bidder qualifies as a resident supplier; and

19 ▶ makes technical and conforming changes.

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Money Appropriated in this Bill:

21 None

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Other Special Clauses:

23 None

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Utah Code Sections Affected:

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AMENDS:

26 **63G-6a-506**, as last amended by Laws of Utah 2025, Chapter 69

27 **63G-6a-507**, as last amended by Laws of Utah 2020, Chapter 257

28

ENACTS:

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

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 a person, partnership, corporation, or other business entity
42 that has a principal place of business in Utah.

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

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

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

51 (i) establishing expenditure thresholds, including:

52 (A) an annual cumulative threshold;
53 (B) an individual procurement item threshold; and
54 (C) a single procurement aggregate threshold;

55 (ii) establishing procurement requirements relating to the thresholds described in
56 Subsection (2)(b)(i);[-and]

57 (iii) providing for the use of electronic, telephone, or written quotes[.] ; and

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

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

64 (3) Expenditures made under this section by a procurement unit may not exceed a threshold

65 established by the rulemaking authority, unless the procurement official gives written
66 authorization to exceed the threshold that includes the reasons for exceeding the
67 threshold.

68 (4) Except as provided in Subsection (5), an executive branch procurement unit may not
69 obtain a procurement item through a small purchase standard procurement process if the
70 procurement item may be obtained through a state cooperative contract or a contract
71 awarded by the chief procurement officer under Subsection 63G-6a-2105(1).

72 (5) Subsection (4) does not apply if:

73 (a) the procurement item is obtained for an unanticipated, urgent, or emergency
74 condition, including:

- 75 (i) an item needed to avoid stopping a public construction project;
- 76 (ii) an immediate repair to a facility or equipment; or
- 77 (iii) another emergency condition; or

78 (b) the chief procurement officer or the procurement official of a procurement unit that
79 is an executive branch procurement unit with independent procurement authority:

- 80 (i) determines in writing that it is in the best interest of the procurement unit to obtain
81 an individual procurement item outside of the state contract, comparing:
 - 82 (A) the contract terms and conditions applicable to the procurement item under the
83 state contract with the contract terms and conditions applicable to the
84 procurement item if the procurement item is obtained outside of the state
85 contract;
 - 86 (B) the maintenance and service applicable to the procurement item under the
87 state contract with the maintenance and service applicable to the procurement
88 item if the procurement item is obtained outside of the state contract;
 - 89 (C) the warranties applicable to the procurement item under the state contract with
90 the warranties applicable to the procurement item if the procurement item is
91 obtained outside of the state contract;
 - 92 (D) the quality of the procurement item under the state contract with the quality of
93 the procurement item if the procurement item is obtained outside of the state
94 contract; and
 - 95 (E) the ability of the vendor under the state contract to match the quoted cost of
96 the procurement item if the procurement item is obtained outside of the state
97 contract;
- 98 (ii) for a procurement item that, if defective in its manufacture, installation, or

99 performance, may result in serious physical injury, death, or substantial property
100 damage, determines in writing that the terms and conditions, relating to liability
101 for injury, death, or property damage, available from the source other than the
102 contractor who holds the state contract, are similar to, or better than, the terms and
103 conditions available under the state contract; and

104 (iii) grants an exception, in writing, to the requirement described in Subsection (4).

105 (6) Except as otherwise expressly provided in this section, a procurement unit:

106 (a) may not use the small purchase standard procurement process described in this
107 section for ongoing, continuous, and regularly scheduled procurements that exceed
108 the annual cumulative threshold; and

109 (b) shall make its ongoing, continuous, and regularly scheduled procurements that
110 exceed the annual cumulative threshold through a contract awarded through another
111 standard procurement process described in this chapter or an applicable exception to
112 another standard procurement process, described in Part 8, Exceptions to
113 Procurement Requirements.

114 (7) This section does not prohibit regularly scheduled payments for a procurement item
115 obtained under another provision of this chapter.

116 (8)(a) It is unlawful for a person knowingly to divide a single procurement into multiple
117 smaller procurements, including by dividing an invoice or purchase order into
118 multiple invoices or purchase orders, if:

119 (i) the single procurement would not have qualified as a small purchase under this
120 section;

121 (ii) one or more of the multiple smaller procurements qualify as a small purchase
122 under this section; and

123 (iii) the division is done with the intent to:

124 (A) avoid having to use a standard procurement process, other than the small
125 purchase process, that the person would otherwise be required to use for the
126 single procurement; or

127 (B) make one or more of the multiple smaller procurements fall below a small
128 purchase expenditure threshold established by rule under Subsection (2)(b) that
129 the single procurement would not have fallen below without the division.

130 (b) A violation of Subsection (8)(a) is subject to penalties as provided in Subsection
131 63G-6a-2404.3(2).

132 (9) The Division of Finance within the Department of Government Operations may conduct

133 an audit of an executive branch procurement unit to verify compliance with the
134 requirements of this section.

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

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

140 **63G-6a-507 . Approved vendor list procurement process.**

141 (1) As used in this section:

142 (a) "Closed-ended approved vendor list" means an approved vendor list that is subject to:
143 (i) a short period of time, specified by the procurement unit, during which vendors
144 may be added to the list; and
145 (ii) a specified period of time after which the list will expire.

146 (b) "Open-ended approved vendor list" means an approved vendor list that is subject to:
147 (i) an indeterminate period of time during which vendors may be added to the list;
148 (ii) the addition of vendors to the list throughout the term of the list; and
149 (iii) a specified period of time after which the procurement unit is required to verify
150 that vendors on the list continue to meet the minimum mandatory requirements,
151 evaluation criteria, and applicable score thresholds.

152 (c) "Resident supplier" means the same as that term is defined in Section 63G-6a-506.

153 (2) A procurement unit may not establish an approved vendor list unless the procurement
154 unit has first completed the statement of qualifications process described in Section
155 63G-6a-410.

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

157 (i) a specific, fully defined procurement item; or
158 (ii) a future procurement item that is not specifically and fully defined, if the request
159 for statement of qualifications contains a general description of:
160 (A) the procurement item; and
161 (B) the type of vendor that the procurement unit seeks to provide the procurement
162 item.

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

166 (4) After receiving the statements of qualifications and evaluation scores submitted by the

167 evaluation committee under Subsection 63G-6a-410(9)(f), the procurement official of
168 the procurement unit using the request for statement of qualifications process under
169 Section 63G-6a-410 as part of an approved vendor list process shall:

170 (a) include on an approved vendor list those vendors meeting the minimum mandatory
171 requirements, evaluation criteria, and applicable score thresholds;[-and]

172 (b) reject any vendor not meeting the minimum mandatory requirements, evaluation
173 criteria, and applicable score thresholds as ineligible for inclusion on the approved
174 vendor list[-] ; and

175 (c) indicate on an approved vendor list those vendors that qualify as a resident supplier,
176 if the vendor includes that information in the vendor's statement of qualifications.

177 (5)(a) A procurement unit shall include approved vendors on a closed-ended approved
178 vendor list or an open-ended approved vendor list.

179 (b)(i) A closed-ended approved vendor list shall expire no later than 18 months after
180 the publication of the closed-ended approved vendor list.

181 (ii) A procurement unit shall verify, no less frequently than every 18 months, by a
182 method approved by the procurement official, that each vendor on an open-ended
183 approved vendor list continues to meet the minimum mandatory requirements,
184 evaluation criteria, and applicable score thresholds.

185 (6) A procurement unit may:

186 (a)(i) using a bidding process, request for proposals process, small purchase process,
187 or design professional procurement process, award a contract to a vendor on an
188 approved vendor list for any procurement item or type of procurement item
189 specified by the procurement unit in the request for statement of qualifications,
190 including procurement items that the procurement unit intends to acquire in a
191 series of future procurements described in the request for statement of
192 qualifications; and

193 (ii) limit participation in a bidding process, request for proposals process, small
194 purchase process, or design professional procurement process to vendors on an
195 approved vendor list; or

196 (b) award a contract to a vendor on an approved vendor list at a price established as
197 provided in Section 63G-6a-113.

198 (7)(a) After establishing an approved vendor list as provided in this section, a
199 conducting procurement unit shall, before using the approved vendor list, submit the
200 approved vendor list to the issuing procurement unit.

201 (b) An issuing procurement unit that receives an approved vendor list under Subsection
202 (7)(a) shall make the approved vendor list available to the public.

203 (8) A conducting procurement unit administering an open-ended approved vendor list shall:
204 (a) require a vendor seeking inclusion on the approved vendor list to submit a statement
205 of qualifications that complies with all requirements applicable at the time of the
206 initial request for statement of qualifications; and
207 (b) if modifying the requirements for inclusion on the approved vendor list, apply any
208 new or additional requirement to all vendors equally, whether a vendor is seeking
209 inclusion on the approved vendor list for the first time or is already included on the
210 approved vendor list.

211 (9) A rulemaking authority shall make rules pertaining to an approved vendor list process,
212 including:
213 (a) procedures to ensure that:
214 (i) all vendors on an approved vendor list that are resident suppliers have a fair and
215 equitable opportunity to compete for a contract for a procurement item in
216 comparison to other resident suppliers on the approved vendor list;
217 (ii) all vendors on an approved vendor list that are not resident suppliers have a fair
218 and equitable opportunity to compete for a contract for a procurement item in
219 comparison to other non-resident suppliers on the approved vendor list; and
220 (iii) vendors on an approved vendor list that are resident suppliers have a greater
221 opportunity to compete for a contract for a procurement item in comparison to
222 non-resident suppliers on the approved vendor list; and
223 (b) requirements for using an approved vendor list with the small purchase process.

224 Section 3. Section **63G-6a-1005** is enacted to read:

225 **63G-6a-1005 . Preference for resident suppliers.**

226 (1) As used in this section, "resident supplier" means a person, partnership, corporation, or
227 other business entity that:
228 (a) has a principal place of business in Utah or that employs workers who are residents
229 of this state; and
230 (b) was transacting business on the date when bids for the public were first solicited.
231 (2) The provisions of this section apply if the provisions of Sections 63G-6a-1002 and
232 63G-6a-1003 do not apply.
233 (3)(a) An issuing procurement unit shall, for all procurements, give a preference to those
234 bidders that certify on the bid that the bidder qualifies as a resident supplier.

235 (b) The preference is waived if the certification described in Subsection (3)(a) does not
236 appear on the bid.

237 (4) The preference described in Subsection (3)(a) does not apply if application of the
238 preference might jeopardize the receipt of federal funds.

239 **Section 4. Effective Date.**

240 This bill takes effect on May 6, 2026.