

Accompanying the second recommendation of the Inspector General (House, No. 3). State Administration and Regulatory Oversight.

The Commonwealth of Massachusetts

In the Year Two Thousand and Five.

AN ACT ENABLING MUNICIPALITIES TO UTILIZE REVERSE AUCTIONS.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Section 2 of Chapter 30B of the General Laws, as  
2 so appearing, is hereby amended, after line 36 by inserting the  
3 following:—

4 “Electric bidding”, the electronic solicitation and receipt of offers  
5 to contract for supplies and services. Offers may be accepted and  
6 contracts may be entered by use of electronic bidding.

1 SECTION 2. Section 2 of Chapter 30B of the General Laws, as  
2 so appearing, is hereby amended, after line 90 by inserting the  
3 following:—

4 “Reverse auction”, a competitive online solicitation process for  
5 supplies and services in which vendors compete against each  
6 other online in real time in an open and interactive environment.

1 SECTION 3. Chapter 30B of the General Laws, as so appear-  
2 ing, is hereby amended by adding after Section 6 the following  
3 new section:—

4 6A. (a) A chief procurement officer may enter into procurement  
5 contracts in the amount of \$25,000 or more utilizing reverse auc-  
6 tions for the acquisition of supplies and services. The reverse auc-  
7 tion process shall include a specification of an opening date and  
8 time when real-time electronic bids may be accepted, and provide  
9 that the procedure shall remain open until the designated closing  
10 date and time.

11 (b) All bids on reverse auctions shall be posted electronically on  
12 the Internet, updated on a real-time basis, and shall allow registered

13 bidders to lower the price of their bid below the lowest bid on the  
14 Internet.

15 c) The chief procurement officer shall require vendors to reg-  
16 ister before the reverse auction opening date and time, and as part  
17 of the registration, agree to any terms and conditions and other  
18 requirements of the solicitation. The chief procurement officer  
19 may require vendors to be prequalified prior to placing bids in a  
20 reverse auction. The prequalification criteria shall include, but not  
21 be limited to statements of vendors: financial stability, past perfor-  
22 mances and professional references. The statement of qualifica-  
23 tions shall be signed under pains and penalties of perjury.