

State Bidding Preference and Reciprocity Information

The General Services Commission publishes periodically, in the Texas Register, a list of states' preference statutes. Enclosed is the current list retrieved from the Texas Register web address:

<http://www.window.state.tx.us/procurement//stpurch/map/index.html>

A review of the "Summary of Other State Bidding Preference Laws" dated March 14, 1997, indicates that the following states need to be checked in regards to the respectful preference law and only on a *non-federally* funded project.

STATE	PREFERENCE	METHOD USED (Equivalent of this State's preference statute)
1. NEW MEXICO	5 %	A
2. WEST VIRGINIA *	2.5 % (Contracts > \$50,000)	B
3. WYOMING	5 %	B

NOTE: These percentages are listed for informational purposes. They are subject to change, and a current list should be checked when the computations are made.

Procedure for reciprocating in order to determine the low bidder:

- If the low bidder is from one of the three states above, use the corresponding method indicated above to reciprocate.

Method A

$$(\$I) \times \left(1 - \frac{\%}{100}\right) = \$A$$

\$ I = Original in-state bid

\$A = Adjusted in-state bid

Method B

$$(\$O) \times \left(1 + \frac{\%}{100}\right) = \$A$$

\$O = Original out-of-state bid

\$A = Adjusted out-of-state bid

- Compare with unadjusted in/out-of-state bidder and choose the lowest bidder.

Example: Texas bid = \$ 100,000
 New Mexico bid = \$ 95,010 (5% Preference Law)

Method A: Texas < New Mexico (Texas wins award)
 \$95,000 \$95,010

* West Virginia – Check the "Summary of other state bidder laws" for more info.