LAWS OF DELAWARE
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CHAPTER 93
153rd GENERAL ASSEMBLY
FORMERLY
SENATE SUBSTITUTE NO. 1
FOR
SENATE BILL NO. 134

AN ACT TO AMEND TITLE 29 OF THE DELAWARE CODE RELATING TO REVERSE AUCTIONS.

## BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

- Section 1. Amend § 6902, Title 29 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:
  - $\S$  6902. Definitions [For application of this section, see 82 Del. Laws, c. 36,  $\S$  3].

For purposes of this chapter:

- (27) "Reverse auctioning" means an on-line procurement method wherein bidders bid on specified goods and nonprofessional services through real-time electronic competitive bidding, with the award being made to the lowest responsive and responsible bidder. During the bidding process, bidders' prices are public and are revealed electronically, and bidders shall have the opportunity to modify their bid prices for the duration of the time period established for the auction. "Reverse auction" means an on-line procurement method through which all of the following occur:
  - a. A vendor submits a bid or proposal to provide the lowest price or most advantageous offer on goods or professional or nonprofessional services in response to an invitation to bid, request for proposals, or other solicitation, through real-time electronic competitive bidding.
  - <u>b. During the bidding process, vendor prices are revealed to all participants, without revealing the vendor's identity.</u>
  - c. A vendor has the opportunity to lower the vendor's bid or proposal prices for the duration of the time period established for the auction.
- Section 2. Amend Subchapter VI, Chapter 69, Title 29 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:
- § 6989D. Reverse auction for the procurement of professional services for or related to pharmaceuticals or pharmacy benefits management services.
- (a) This section applies only to the procurement of professional services for or related to pharmaceuticals or pharmacy benefits management services, as defined under § 3351A of Title 18, by the State Employee Benefits Committee established under Chapter 96 of this title.
- (b) When the Section determines that a reverse auction is advantageous, the Section may, with written approval by the Section director or the Section director's designee, use or allow an agency to use a reverse auction to receive competitive pricing proposals from proposing firms under this subchapter.
- (c) The Section shall establish written procedures for obtaining and evaluating proposals for professional services in advance of the reverse auction price competition. The procedures must require vendors to preregister before the opening date and time for purposes of vetting vendor responsibility and, as part of that registration, to agree to any contractual terms, conditions, or other requirements of the solicitation.
- (d) The solicitation must provide notification of the Section's or procuring agency's intent to use a reverse auction, a schedule of proposing activities, and the procedures established under subsection (c) of this section.
- (e) The Section or procuring agency may, with the written approval of the Section director's designee, contract with a third-party vendor to conduct a reverse auction on its behalf under this section.
- (f) Each proposal received through the reverse auction process must record the name and address of the submitting vendor.
- (g) The proposals, proposal summaries, tabulations, or any other aspect of the proposal evaluations are not open for public inspection until after receipt of a signed contract under § 6981(d)(3) of this title. After receipt of a signed contract, the proposals must be made available for public inspection under § 6981(k)(4) of this title.

Approved July 21, 2025