
CHAPTER 13

State and Local Laws



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Introduction

- PHAs must abide by federal law and regulations
- Governed by state and local requirements
- PHAs must comply with state and local laws unless requirements conflict with 2 CFR §200 procurement rules
- In general, most stringent rule or law applies



Application of State and Local Procurement Laws

- Instances when federal rules always apply to PHAs regardless of conflicting state or local procurement rules:
 - Geographic preference
 - State prevailing wage requirements



State Law

- PHAs are typically governed by two sets of state laws:
 - “State-enabling legislation”
 - Separate set of state statutes describing requirements PHAs must follow
- Laws enabling establishment of PHAs may include requirements for procurement activity
- When state-enabling legislation is silent on procurement activity, PHA should review state procurement code to determine applicability and regulatory impact
- Some states have detailed “Procurement Codes” based ABA’s Model Procurement Code for State and Local Governments



Local Law

- Most stringent applicable law should be followed when all three levels of government have procurement requirements as long as procurement conforms to federal requirements
- Local jurisdictions may have ordinances that govern specific construction practices and bonding requirements
 - These must be followed as long as they conform to federal requirements



Guidance on State and Local Procurement Laws

- PHAs are encouraged to create procurement resource center that includes all applicable laws and regulations and is updated regularly
- Policies must be reviewed regularly and updated as needed
- Staff should be trained when there are substantive changes
- Procurement policy should be reviewed by legal counsel or HUD Field Office counsel

