

State of Georgia Department of Administrative Services State Purchasing Division

Official Announcement # 25-05

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FROM: Jim Barnaby, Deputy Commissioner, DOAS

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DATE: July 1, 2025

TO: Agency Procurement Officers and College and University Procurement Officers, Procurement

Professionals, Chief Information Officers, and Chief Information Security Officers

RE: Announcement of Revised Georgia Law Governing Scrutinized Companies and

Prohibited Technologies

Effective July 1, 2025, through House Bill 113, Georgia law governing **scrutinized companies and prohibited technologies** has been revised as further described in this Official Announcement. As authorized by the revised Georgia law, the Georgia Technology Authority (GTA) has published and will maintain a list of prohibited technology purchases through the <u>Prohibited Software & Services (SS-22-002) Standard</u>. All state entities must review and comply with the standard effective immediately.

The State Purchasing Division (SPD) will incorporate reference to the new GTA standard as part of a future update of the Georgia Procurement Manual, which will be announced separately. All APOs/CUPOs must implement internal processes to ensure state entities do not make prohibited technology purchases. The new GTA standard is applicable to all purchases regardless of the sourcing method. House Bill 113 also removed certain scrutinized company certifications during the solicitation process as no longer necessary based on the implementation of the new prohibited technology purchases standard. However, state buyers must ensure compliance with the GTA standard throughout the solicitation process, including, the following activities: (1) during solicitation development to ensure the state is not requesting prohibited technology, (2) during administrative review to identify any suppliers ineligible for further evaluation, and (3) during the evaluation process of supplier bids/proposals to identify prohibited technology or prohibited subcontracting partners. Purchasing policy updates are outlined below and in the attached Summary of Georgia Procurement Manual Changes Table (Attachment 1).

A. Summary of Changes to Georgia Law

 New! GTA Standard Identifying Prohibited Technologies: Effective July 1, 2025, GTA is authorized to maintain a list of goods, services and technology ("concerned goods") from foreign companies or countries of concern, as outline in O.C.G.A. Section 50-5-84.1. State entities are prohibited from purchasing any items listed in the GTA <u>Prohibited Software and Services (SS-22-002) Standard.</u>

If a foreign company of concern or third-party reseller sells a concerned good to a state entity, Georgia law provides that the contract may be terminated, a civil penalty of \$250,000 or triple the contract value (whichever is greater) may be imposed, and the supplier may be barred from future state contracts for a period set by GTA.

- 2. **Partial Repeal of Prohibition on Scrutinized Companies:** Effective July 1, 2025, certain Georgia law governing scrutinized companies has been revised.
 - a. **No Change Business Operations in Sudan.** The existing prohibition of companies qualifying as "scrutinized companies" based on the following definition in Official Code of Georgia (O.C.G.A.) Section 50-5-84 remains unchanged: A scrutinized company is a company conducting business operations in Sudan that is involved in power production activities, mineral extraction activities, oil-related activities, or the production of military equipment, but excludes a company which can demonstrate any of the exceptions noted in O.C.G.A. Section 50-5-84. When submitting a bid, companies are required to certify that they are either not a scrutinized company or that they have received written permission from SPD to submit a bid.
 - b. **Repealed Owned or Operated by Government of Russia or Belarus.** Effective July 1, 2025, suppliers will no longer be required to certify ownership or operation status related to the Governments of Russia or Belarus as previously required by O.C.G.A. Section 50-5-84.1.
 - c. **Repealed Owned or Operated by Government of China.** Effective July 1, 2025, suppliers will no longer be required to certify ownership or operation status by the Government of China as previously required by O.C.G.A. Section 50-5-84.2.

B. Implementing these Changes

- 1. **Revised Event/Bid Factor Questions for Competitive Solicitations:** To implement HB 113, two of the three existing event/bid factor questions related to scrutinized companies will be removed effective July 1, 2025, as follows: removal of the questions requiring suppliers' certification of status related to being owned or operated by (1) the governments of Russia/Belarus (O.C.G.A. 50-5-84.1) or (2) China (O.C.G.A. 50-5-84.2).
 - a. **Electronic Bidding Tools:** The existing certification questions included in the following SPD-approved electronic bidding tools are being revised:
 - i. PeopleSoft Strategic Sourcing for use by state entities utilizing the State Accounting Office's version of PeopleSoft Financials. When creating a sourcing event (RFQ or RFP), the standard bid factor questions are automatically included once the buyer adds at least one line item. For RFQCs, the buyer must search and add the standard bid factor questions from the bid factor library. Effective July 1, 2025, the certification questions related to Russia/Belarus and China will be "retired" from the PeopleSoft bid factor library.
 - a. IMPORTANT REMINDER: To support system transition activities to GA@WORK, no new RFx may be posted in PeopleSoft beyond the deadlines announced through SPD Official Announcement #25-03 without prior written approval from SPD via agency.sourcing@doas.ga.gov.
 - ii. Jaggaer Sourcing Director for use by the University System of Georgia (USG), USG's colleges and universities and the Georgia Technology Authority. By selecting the applicable system templates for RFQ, RFQC or RFP, the certification questions related to Russia/Belarus and China as described above will no longer populate for events created on or after July 1, 2025.
 - b. "Paper Bids" on the Georgia Procurement Registry: SPD has revised SPD-SP042 Supplier General Information Worksheet (paper bids only) to remove the two certification questions related to Russia/Belarus and China as described above. As a reminder, state entities are not authorized to conduct competitive solicitations as "paper bids" without SPD's prior approval.
 - c. "In Flight" Solicitations: It is not necessary to revise any PeopleSoft or JAGGAER solicitations that were created prior to July 1, 2025, that are still open for bidding as of July 1, 2025, and

already include the two certification questions being retired. However, during the evaluation process, issuing officers should consult the GTA standard prior to making contract award.

- 2. **GTA Standard Governing Prohibited Technologies.** GTA has established and will maintain a list of prohibited technologies through the Prohibited Software and Services (SS-22-002) Standard. Questions related to the GTA standard may be sent via email to gtapsg@gta.ga.gov.
- 3. **Future Release of Georgia Procurement Manual**: SPD will incorporate these revisions into a future update of the <u>Georgia Procurement Manual</u>, which will be announced separately.

SPD and GTA will conduct a joint webinar to review these changes. Please distribute this Official Announcement internally. For any questions related to this Official Announcement, please contact SPD at spdpolicy@doas.ga.gov.



Summary of Purchasing Policy Changes Effective July 1, 2025

NOTE: This table summarizes changes to purchasing policy and processes within the Georgia Procurement Manual (GPM) as announced through Official Announcement #25-05 Announcement of Revised Georgia Law Governing Scrutinized Companies and GTA Standard Governing Prohibited Technologies. In the event of any conflict between this table and the GPM (once published), the revised GPM shall govern.

GPM Section	Description of Change
CHAPTER 3, STAGE 3 – SOLICITATION PREPARATION	
Section 3.5.1.4. Scrutinized Company	Update section name and text as follows:
	3.5.1.4. Scrutinized Company <u>and Prohibited Purchases</u>
	Georgia law specifies that certain suppliers identified as Scrutinized Companies are ineligible to bid on state entity procurements <u>as described in O.C.G.A. Section 50-5-84</u> . <u>Georgia law also prohibits state entities from making prohibited purchases as determined by the Georgia Technology Authority in accordance with O.C.G.A. Section 50-5-84.1.</u>
Section 3.5.1.4.1. O.C.G.A. § 50-5-84 "Scrutinized Companies" Conducting Business Operations in Sudan	Revise text as follows to update email address for SPD Policy Team:
	3.5.1.4.1. O.C.G.A. § 50-5-84 "Scrutinized Companies" Conducting Business Operations in Sudan
	Any supplier that has, or has had within the last three years, any business activities or other operations outside of the United States must certify that it is not a "scrutinized company". A "scrutinized company" is a company conducting business operations in Sudan that is involved in power production activities, mineral extraction activities, oil-related activities, or the production of military equipment, but excludes a company

GPM Section	Description of Change
	which can demonstrate any of the exceptions noted in (O.C.G.A.) Section 50-5-84. Suppliers will be prompted to certify their status as part of the bidding process.
	If the supplier is a "scrutinized company", the supplier shall not be eligible to bid on or submit a proposal for a contract with the state entity unless SPD makes a determination in accordance with (O.C.G.A.) Section 50-5-84 that it is in the best interest of the state to permit the scrutinized company to submit a bid or proposal. Any scrutinized company desiring SPD to make such a determination must contact SPD in writing via email at process.improvement@doas.ga.gov-spdpolicy@doas.ga.gov . The written request must include the company's name, a description of the request, and identification of the solicitation to which the supplier desires to submit a response.
	False certification by a supplier as to its status as a scrutinized company may result in civil penalties, contract termination, ineligibility to bid on state contracts for three or more years, and/or any other available remedy. In the event the procurement professional has reason to believe a supplier has made a false certification, the procurement professional must report the information to SPD by submitting an email to process.improvement@doas.ga.gov-spdpolicy@doas.ga.gov .
Section 3.5.1.4.2. O.C.G.A. § 50-5-84.1	Delete subsection in its entirety:
"Scrutinized Companies" Owned by the Government of Russia or Belarus	3.5.1.4.2. O.C.G.A. § 50-5-84.1 "Scrutinized Companies" Owned by the Government of Russia or Belarus
	A "Scrutinized Company" is defined as any sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, limited liability company, or other entity or business association, including all wholly owned subsidiaries, majority owned subsidiaries, parent companies, or affiliates of such entities or business associations, that exists for the purpose of making profit owned or operated by the Government of Russia or Belarus.
	Scrutinized Companies are ineligible to and shall not bid on or submit a proposal for a contract with a state entity for goods or services. Suppliers will be prompted to certify their status as part of the bidding process.
	False certification by a supplier as to its status as a scrutinized company may result in civil penalties and contract termination. In the event the procurement professional has reason to believe a supplier has made a false certification, the procurement professional must report the information to SPD by submitting an email to process.improvement@doas.ga.gov.

GPM Section	Description of Change
Section 3.5.1.4.3. O.C.G.A. § 50-5-84.2 "Scrutinized Companies" Owned by the Government of China	Delete subsection in its entirety:
	3.5.1.4.3. O.C.G.A. § 50-5-84.2 "Scrutinized Companies" Owned by the Government of China
	A "Scrutinized Company" is defined as any sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, limited liability company, or other entity or business association, including all wholly owned subsidiaries, majority owned subsidiaries, parent companies, or affiliates of such entities or business associations, that exists for the purpose of making profit owned or operated by the Government of China.
	Scrutinized Companies are ineligible to and shall not bid on or submit a proposal for a contract with a state entity for goods or services. Suppliers will be prompted to certify their status as part of the bidding process.
	False certification by a supplier as to its status as a scrutinized company may result in civil penalties and contract termination. In the event the procurement professional has reason to believe a supplier has made a false certification, the procurement professional must report the information to SPD by submitting an email to process.improvement@doas.ga.gov.
New! Section 3.5.1.4.2. Prohibited	Add new section as follows:
Technologies Identified by GTA	• Add new section as follows:
	3.5.1.4.2. Prohibited Technologies Identified by GTA
	Pursuant to O.C.G.A. Section 50-5-84.1, the Georgia Technology Authority (GTA) is authorized to maintain a list of goods, including component parts, services and technology produced by a foreign company of concern deemed by GTA to pose a security threat to this state or its residents. State entities are prohibited from purchasing items identified by GTA through the Prohibited Software & Services (SS-22-002) Standard. Questions related to the prohibited purchase list may be submitted to GTA via email at gtapsg@gta.ga.gov .
	If a foreign company of concern or third-party reseller sells a concerned good to a state entity, Georgia law provides that the contract may be terminated, a civil penalty of \$250,000 or triple the contract value (whichever is greater) may be imposed, and the supplier may be barred from future state contracts for a period set by GTA.