

**FINAL
FISCAL NOTE**

Drafting Number: LLS 13-0392
Prime Sponsor(s): Rep. Lawrence

Date: May 15, 2013
Bill Status: Postponed Indefinitely
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TITLE: CONCERNING THE REQUIREMENT THAT A LOCAL GOVERNMENT USE COMPETITIVE SEALED BIDDING FOR PROCUREMENT CONTRACTS OVER A CERTAIN DOLLAR AMOUNT.

Fiscal Impact Summary	FY 2013-2014	FY 2014-2015
State Revenue		
State Expenditures		
FTE Position Change		
Effective Date: The bill was postponed indefinitely by the House Local Government Committee on February 6, 2013.		
Appropriation Summary for FY 2013-2014: None.		
Local Government Impact: Potential costs. See Local Government Impact section.		

Summary of Legislation

This bill would have required local governments to use sealed competitive bidding for all contracts for goods and services, including construction, expected to exceed \$50,000. The bill allowed an exception to the competitive sealed bidding requirement if the local government did not receive any bids, all bids were rejected, and in emergency situations. The bill prohibited a local government from dividing the procurement of supplies, services, or construction into two or more separate projects for the sole purpose of falling below the \$50,000 threshold for competitive sealed bidding.

Local Government Impact

Local governments may have had additional administrative costs associated with the requirement to use competitive sealed bidding for contracts over \$50,000. Additionally, it may have taken local governments longer to complete construction projects and supply purchases due to the more rigorous contracting process.

Departments Contacted

Counties

Personnel and Administration

Municipalities