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FISCAL IMPACT REPORT

ORIGINAL DATE 3/06/07

SPONSOR HBIC LAST UPDATED _____ HB 1147/HBICS

SHORT TITLE Raise Small Purchase Procurement Limits SB _____

ANALYST Propst

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	NFI		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Health (DOH)

General Services Department (GSD)

Department of Transportation (DOT)

SUMMARY

Synopsis of Bill

House Business and Industry Committee Substitute for House Bill 1147 redefines “local public works project” and state public works project” as follows:

- redefines “local public works project” from a project that uses architectural or engineering services costing \$25,000 or more to a project costing \$50,000 or more. Surveying services requiring formal competition are raised from \$5,000 to \$50,000 and services of landscape architects are eliminated from this definition.
- redefines “state public works project” from a project that uses architectural or engineering services costing \$25,000 or more to a project costing \$50,000 or more. Landscape architectural or surveying services requiring formal competition are raised from \$5,000 to \$10,000.

SIGNIFICANT ISSUES

The Department of Transportation notes that Central Purchasing Offices will continue to manage the procurement process but would exempt State Purchasing from awarding purchases under

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\$10,000. This would result in a substantial time savings to the Department. Currently, SPD is lagging behind in processing department procurements.

WEP/csd