



OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note

Fiscal Note On: HB 690 HLS 14RS 300
Bill Text Version: ENGROSSED
Opp. Chamb. Action: W/ SEN FLOOR AMD
Proposed Amd.:
Sub. Bill For.:

Table with metadata: Date: May 21, 2014 8:29 AM; Author: BROADWATER; Dept./Agy.: Public School Districts; Subject: Authorizes School District Purchasing Cooperatives; Analyst: Becky Ewing

PUBLIC CONTRACT/BIDS EGF SEE FISC NOTE LF EX See Note Page 1 of 1
Permits public school districts and schools to participate in group purchasing for materials, equipment, and supplies

Purpose of Bill: This bill authorizes public schools and public school districts to participate in purchasing cooperatives for procurement of materials, equipment, and supplies. This bill provides that a school district purchasing cooperative must follow a specific process to solicit proposals or bids from vendors, and members of the purchasing cooperative may purchase materials, equipment, and supplies in accordance with contracts submitted to the school district purchasing cooperative by a vendor.

Table with 7 columns: EXPENDITURES, 2014-15, 2015-16, 2016-17, 2017-18, 2018-19, 5-YEAR TOTAL. Rows include State Gen. Fd., Agy. Self-Gen., Ded./Other, Federal Funds, Local Funds, and Annual Total.

Table with 7 columns: REVENUES, 2014-15, 2015-16, 2016-17, 2017-18, 2018-19, 5-YEAR TOTAL. Rows include State Gen. Fd., Agy. Self-Gen., Ded./Other, Federal Funds, Local Funds, and Annual Total.

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

According to officials with the school districts of Jefferson Parish, Lafayette Parish, Ouachita Parish, and Tangipahoa Parish, there is no way to estimate the impact, if any, of this bill. These officials indicated that the decision to participate in a purchasing cooperative would depend on the costs of creating and joining the cooperative, and whether it would effectively generate savings in comparison to contracting the purchases themselves or using other options.

An official with the Office of State Purchasing (OSP) indicated that this bill does not have any effect on the expenditures of the OSP. According to this official, the authorization for school districts to use other cooperative purchasing options could potentially divert usage from OSP contracts; however, the loss of usage would not be significant enough to cause an increase in pricing for the OSP contracts.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

- Senate Dual Referral Rules House
13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}
13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}
6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
6.8(F)(2) >= \$500,000 State Rev. Reduc. {H & S}
6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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