

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 6517**  
**BILL NUMBER:** HB 1636

**NOTE PREPARED:** Feb 13, 2003  
**BILL AMENDED:**

**SUBJECT:** University contracting procedures.

**FIRST AUTHOR:** Rep. Porter  
**FIRST SPONSOR:**

**BILL STATUS:** CR Adopted - 1<sup>st</sup> House

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** State

**Summary of Legislation:** This bill requires state educational institutions to analyze their purchasing, construction, and contracting practices relating to minority business enterprises, small business enterprises, and women's business enterprises. It requires each state educational institution to file a written report of the analysis with the legislative council.

**Effective Date:** July 1, 2003.

**Explanation of State Expenditures:** State institutions report that they have different capacities for providing the information needed to produce this report. Representatives of Vincennes, IVY Tech, and Ball State University report that they may need to contract with professionals that have accounting and software experience.

Purdue University reports that they would need to divert existing staff to complete these projects.

Both the University of Southern Indiana and Indiana State University report that they can track minority-owned businesses, but not small businesses. To track the contracts made with small businesses, either university staff or contracted firms would need to examine and classify each vendor with whom the universities have contracted in the past to decide if these firms should be classified as either a small business or a business owned by women.

Indiana University reports that information on minority- and women-owned businesses is accessible. However, IU would need significant staff and computer time to identify small businesses with which Indiana University contracts.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** State Universities.

**Local Agencies Affected:**

**Information Sources:** Kevin Green, Purdue University; Bob Holmes, IVY Tech; Phil Rath, Vincennes University; Tom Morrison, Ball State University; Bob Ruble, University of Southern Indiana; Diann McKee, Indiana State University; Don Weaver, Indiana University.

**Fiscal Analyst:** Chuck Mayfield, 317-232-4825