

**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 6042

BILL NUMBER: SB 38

NOTE PREPARED: Mar 19, 2007

BILL AMENDED: Mar 15, 2007

SUBJECT: Purchases from Persons with Disabilities.

FIRST AUTHOR: Sen. Meeks

FIRST SPONSOR: Rep. Herrell

BILL STATUS: 2nd Reading - 2nd House

**FUNDS AFFECTED: GENERAL
 DEDICATED
 FEDERAL**

IMPACT: State

Summary of Legislation: (Amended) This bill provides that before the purchasing agent of a governmental body that is not a political subdivision issues a solicitation for supplies or services, the purchasing agent shall: (1) obtain a written determination from the Committee for the Purchase of Products and Services or a person designated by the Committee; or (2) certify that the supplies or services cannot be obtained from a nonprofit agency that meets the specifications at a fair market price. The bill provides that before the purchasing agent of a governmental body that is not a political subdivision issues a solicitation for a consolidated purchase of supplies or services, the purchasing agent shall: (1) require the vendor to purchase products or services from a catalog of; or (2) establish standards to ensure participation of solicitation by; a nonprofit agency that meets specifications. The bill also establishes requirements concerning a fair market price.

The bill also adds employment data to the information included in a quarterly report provided by a participating qualified nonprofit agency for persons with severe disabilities to the Committee for Purchase of Products and Services. It also specifies that the quarterly report must be made available to the Department of Administration. The bill requires that the: (1) State Use Catalog be updated by the Committee for the Purchase of Products and Services not less than every 90 days in a calendar year; and (2) web-based electronic version of the State Use Catalog be considered the catalog of record.

Effective Date: July 1, 2007.

Explanation of State Expenditures: *Nonconsolidated Purchase of Supplies or Services:* This bill requires a purchasing agent, prior to issuing a solicitation for a nonconsolidated purchase of supplies or services, to do either of the following: (1) obtain a written determination from the Committee for the Purchase of

Products and Services of Persons with Severe Disabilities (Committee), also known as the State Use Committee, that no qualified agency can provide the supplies or services; or (2) certify that the supplies or services offered by a qualified agency do not meet the specifications and needs of the purchasing governmental body, and cannot be purchased at a fair market price.

Should a purchasing agent choose to obtain a written determination from the Committee, the administrative duties of the Committee would increase minimally. The Committee currently meets a minimum of quarterly and reports that it should be able to conduct the requirements of the bill within its existing level of resources.

Consolidated Purchase of Supplies or Services: The bill also requires a purchasing agent that issues a solicitation for a consolidated purchase of supplies or services, or both, to do either of the following: (1) require vendors to purchase: supplies, services, or both; from a catalog of a qualified agency kept by the Committee; (2) establish scoring standards to ensure participation in the solicitation by a qualified agency.

To the extent that the provision impacts the dollar amount entered into under a contract, state expenditures would be affected.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Family and Social Services Administration.

Local Agencies Affected: Political Subdivisions (excludes municipal corporations and special taxing districts).

Information Sources: Jim Hammond, INARF.

Fiscal Analyst: Sarah Brooks, 317-232-9559.