



purchasing units outside of Kentucky (if there isn't a vendor in Kentucky). Currently KRS 45A.420 only allows for pricing agreements with the Commonwealth of Kentucky.

HB 195 revises KRS 45A.494 (another section of the Model Procurement Code) to remove reciprocal preference statutes from advertisements for bids and KRS 424.260 to exempt the purchase of materials, supplies, equipment, or professional services from another public agency or political subdivision of the state from advertising requirements.

**HB 195 HCS retains the original provisions of the bill, with the exception of removing “services” from the proposed modifications to KRS 45A.420.**

### **Part III: Fiscal Explanation, Bill Provisions, and Estimated Cost**

**The fiscal impact of HB 195 HCS on local government may result in minimal savings.**

The proposed amendments to KRS 45A.343, 45A.380, and 45A.420 may result in minimal savings to the localities which have adopted the subject provisions of the Kentucky Model Procurement Code. The proposed amendments to KRS 45A.425 and 82.083 may result in minimal savings to the *cities* which have adopted the subject provisions of the Kentucky Model Procurement Code. Localities that did not adopt the subject provisions of the Kentucky Model Procurement Code may experience minimal savings with the proposed revision to KRS 424.260. All localities are required to comply with KRS 45A.494 and may experience minimal savings with the proposed change to that statute.

**Data Source(s):** Kentucky League of Cities (KLC); Kentucky Association of Counties (KACo)

**Preparer:** Katherine L. Halloran **Reviewer:** MCY **Date:** 2/12/15