

**Local Government Mandate Statement
Kentucky Legislative Research Commission
2019 Regular Session**

Part I: Measure Information

Bill Request #: 67

Bill #: HB 26 GA

Document ID #: 4017

Bill Subject/Title: AN ACT relating to local procurement.

Sponsor: Representative Rob Rothenburger

Unit of Government: City County Urban-County
Unified Local
 Charter County Consolidated Local Government

Office(s) Impacted: Any office with procurement responsibilities

Requirement: Mandatory Optional

Effect on
Powers & Duties: Modifies Existing Adds New Eliminates Existing

Part II: Bill Provisions and the Estimated Fiscal Impact Relating to Local Government

HB 26 GA amends KRS 45A.385 to increase from \$20,000 to \$30,000, the maximum amount of a contract for which a local public agency may use small purchase procedures. It amends KRS 424.260 to allow local officials to make contracts up to \$30,000, rather than up to \$20,000, without taking out newspaper advertisements for bids.

The fiscal impact of HB 26 GA is indeterminate and minimal.

The Kentucky League of Cities reports that about 3 of 10 Kentucky cities operate under the Model Procurement Code, with the rest using the general bidding statute. Because this bill would affect both procurement methods, it would apply to all cities. The Kentucky League of Cities does not have data on the number of contracts between \$20,000 and \$30,000 and cannot determine how much this bill would save.

However, all local governments would save money as a consequence of less frequent advertising of purchase contracts.

Part III: Differences to Local Government Mandate Statement from Prior Versions

The LM statement to HB 26 GA is the same as the LM statement to HB 26 as introduced. No substitutes or amendments were adopted when the bill passed the House.

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

Preparer: H. Marks **Reviewer:** KHC **Date:** 2/20/19