

**COMMONWEALTH OF KENTUCKY FISCAL NOTE STATEMENT
LEGISLATIVE RESEARCH COMMISSION
2024 REGULAR SESSION**

MEASURE

2024 BR NUMBER 2392

HOUSE BILL NUMBER 750HCS1

TITLE AN ACT relating to procurement.

SPONSOR Representative Jason Petrie

FISCAL SUMMARY

STATE FISCAL IMPACT: YES NO UNCERTAIN

OTHER FISCAL STATEMENT(S) THAT MAY APPLY: ACTUARIAL ANALYSIS
 LOCAL MANDATE CORRECTIONS IMPACT HEALTH BENEFIT MANDATE

APPROPRIATION UNIT(S) IMPACTED: _____

FUND(S) IMPACTED: GENERAL ROAD FEDERAL RESTRICTED _____

FISCAL ESTIMATES	2023-2024	2024-2025	2025-2026	ANNUAL IMPACT AT FULL IMPLEMENTATION
REVENUES				
EXPENDITURES				
NET EFFECT				

() indicates a decrease/negative

PURPOSE OF MEASURE: Amends KRS 45A.100 to revise the procurement thresholds governed by small purchase administrative regulations, increasing the limit from \$40,000 to \$100,000 per project for construction contracts conducted by the Finance and Administration Cabinet, higher education institutions, and the legislative branch.

The measure increases the bonding contract amounts that are to be provided by the commonwealth from \$40,000 to \$100,000.

Additionally, KRS 56.491 is amended to adjust the expenditure threshold from \$250,000 to \$500,000 for negotiations related to the issuance of revenue bonds for capital construction projects with the prerequisite of seeking approval from the Finance and Administration Cabinet.

Finally, the minimum capital construction cost requirement is raised from \$250,000 to \$500,000, necessitating competitive bidding and approval from the Finance and Administrative Cabinet.

FISCAL EXPLANATION: No fiscal impact as this measure merely raises the dollar amount thresholds as they relate to procuring contracts and requiring competitive bids through the Finance and Administrative Cabinet.

DATA SOURCE(S): LRC Staff

PREPARER: Jeremy Simpson **NOTE NUMBER:** 174 **REVIEW:** JB **DATE:** 3/19/2024