

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: House Bill 304

SHORT TITLE: Procurement Council

SPONSOR(S): Representatives Warner, McAllister, Mitchell, Nichols, Nye

FISCAL IMPACT:

Expenditures:	Increase (x)	Decrease ()
Revenues:	Increase ()	Decrease ()
No Impact ()		
No Estimate Available ()		

FUND AFFECTED: **General Fund (x)** **Highway Fund ()** **Local Govt. ()**
Other Funds ()

BILL SUMMARY: TO CREATE A STATE PROCUREMENT POLICY COUNCIL. Adds new GS 143-50.1 to create a seven-member council to adopt rules to implement state purchasing and contract policy. Two members to be appointed by Speaker and two by President Pro Tem. Treasurer and Controller to serve as ex officio members; Secretary of Administration to chair council.

House committee substitute replaces 1st edition. Makes conforming changes to GS 143-49(6), 143-52, 143-53, and 143-60, and changes effective date to ratification.

House action amends 2nd edition. Provides that one of four public members appointed by General Assembly shall represent small business interests.

EFFECTIVE DATE: Upon ratification

PRINCIPAL DEPARTMENT(S)/PROGRAM(S) AFFECTED: Department of Administration

	FISCAL IMPACT				
	<u>FY</u>	<u>FY</u>	<u>FY</u>	<u>FY</u>	
	<u>FY</u>				
	95-96	96-97	97-98	98-99	99-2000
EXPENDITURES:					
GENERAL FUND	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400
POSITIONS:	0	0	0	0	0

ASSUMPTIONS AND METHODOLOGY: The costs of this bill that can be quantified are those costs associated with meetings of the Procurement Policy Council. The estimate of these costs is based on the following assumptions:

- The Council would meet four times per year, one day for each meeting.
- The meetings would be held in Raleigh.
- The four public members would receive \$15 per diem and \$71 per day for hotel and meals.
- The four public members would travel 200 miles round-trip on average for each meeting and would receive 30 cents per mile.
- The three state employees would be reimbursed eight dollars for lunch at each meeting.
- Estimates are in 1995 dollars and are not adjusted for inflation.

Costs of this bill that cannot be quantified include costs associated with staffing the Council and costs associated with shifting the decision-making authority from one person to seven people. These costs will have no budgetary impact.

SOURCES OF DATA: Department of Administration, Office of State Budget and Management.

FISCAL RESEARCH DIVISION

733-4910

PREPARED BY: Evan Rodewald

APPROVED BY: Tom L. Covington

DATE: April 26, 1995

<Font=9>

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: House Bill 304

SHORT TITLE: Procurement Council

SPONSOR(S): Representatives Warner, McAllister, Mitchell, Nichols, Nye

FISCAL IMPACT: **Expenditures:** **Increase (x)** **Decrease ()**

ASSUMPTIONS AND METHODOLOGY: The costs of this bill that can be quantified are those costs associated with meetings of the Procurement Policy Council. The estimate of these costs is based on the following assumptions:

- The Council would meet four times per year, one day for each meeting.
- The meetings would be held in Raleigh.
- The four public members would receive \$15 per diem and \$71 per day for hotel and meals.
- The four public members would travel 200 miles round-trip on average for each meeting and would receive 30 cents per mile.
- The three state employees would be reimbursed eight dollars for lunch at each meeting.
- Estimates are in 1995 dollars and are not adjusted for inflation.

Costs of this bill that cannot be quantified include costs associated with staffing the Council and costs associated with shifting the decision-making authority from one person to seven people. These costs will have no budgetary impact.

SOURCES OF DATA: Department of Administration, Office of State Budget and Management.

FISCAL RESEARCH DIVISION

733-4910

PREPARED BY: Evan Rodewald

APPROVED BY: Tom L. Covington

DATE: April 26, 1995

NEW EDITION - 5/26/95

<Font=9>

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

ILL NUMBER: House Bill 304

SHORT TITLE: Procurement Council

SPONSOR(S): Representatives Warner, McAllister, Mitchell, Nichols, Nye

FISCAL IMPACT:	Expenditures:	Increase (x)	Decrease ()
	Revenues:	Increase ()	Decrease ()

No Impact ()
No Estimate Available ()

FUND AFFECTED: General Fund (x) Highway Fund () Local Govt. ()
Other Funds ()

BILL SUMMARY: TO CREATE A STATE PROCUREMENT POLICY COUNCIL. Adds new GS 143-50.1 to create a seven-member council to adopt rules to implement state purchasing and contract policy. Two members to be appointed by Speaker and two by President Pro Tem. Treasurer and Controller to serve as ex officio members; Secretary of Administration to chair council.

House committee substitute replaces 1st edition. Makes conforming changes to GS 143-49(6), 143-52, 143-53, and 143-60, and changes effective date to ratification.

House action amends 2nd edition. Provides that one of four public members appointed by General Assembly shall represent small business interests.

EFFECTIVE DATE: Upon ratification

PRINCIPAL DEPARTMENT(S)/PROGRAM(S) AFFECTED: Department of Administration

	FISCAL IMPACT				
	<u>FY</u>	<u>FY</u>	<u>FY</u>	<u>FY</u>	
	<u>FY</u>				
	95-96	96-97	97-98	98-99	99-2000
EXPENDITURES:					
GENERAL FUND	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400
POSITIONS:	0	0	0	0	0

ASSUMPTIONS AND METHODOLOGY: The costs of this bill that can be quantified are those costs associated with meetings of the Procurement Policy Council. The estimate of these costs is based on the following assumptions:

- The Council would meet four times per year, one day for each meeting.
- The meetings would be held in Raleigh.
- The four public members would receive \$15 per diem and \$71 per day for hotel and meals.
- The four public members would travel 200 miles round-trip on average for each meeting and would receive 30 cents per mile.
- The three state employees would be reimbursed eight dollars for lunch at each meeting.
- Estimates are in 1995 dollars and are not adjusted for inflation.

Costs of this bill that cannot be quantified include costs associated with staffing the Council and costs associated with shifting the decision-making authority from one person to seven people. These costs will have no budgetary impact.

SOURCES OF DATA: Department of Administration, Office of State Budget and Management.

FISCAL RESEARCH DIVISION

733-4910

PREPARED BY: Evan Rodewald

APPROVED BY: Tom L. Covington

DATE: April 26, 1995



Signed Copy Located in the NCGA Principal Clerk's Offices