

**BILL SUMMARY**  
2nd Session of the 53rd Legislature

<b>Bill No.:</b>	<b>HB 2646</b>
<b>Version:</b>	<b>CCR A</b>
<b>Request Number:</b>	
<b>Author:</b>	<b>Rep. Brumbaugh</b>
<b>Date:</b>	<b>5/14/2012</b>
<b>Impact:</b>	<b>\$0</b>
	<b>Although Potential Savings May Be Realized</b>

**Research Analysis**

The committee substitute for HB 2646 increases the State Use Committee within the Department of Central Services to seven members from five. The additional members will be comprised of the Director of Human Services, or a designee, and a certified procurement office of any state agency appointed by the State Purchasing Director.

The measure also states that when an established approved fair market price of a product or service procured from a qualified nonprofit agency that employs people with severe disabilities is discovered to be legitimately higher than current market prices, the State Use Contracting Officer may grant a temporary exception for the purchase. The exception will be limited and will expire once a new fair market value has been established by the State Use Committee.

Finally, HB 2646 adds definitions for the terms “manufactured”, “produced”, “processed”, and “assembled”.

Prepared By: Colin Swearingen, Ph.D.

**Fiscal Analysis**

The measure provides that when an approved fair market value for a good or service is found to be higher than current market prices the State Use Contracting Officer may grant an exception for the purchase on the open market until a revision in the established market value can be set. The provisions is permissive as related to granting of exceptions, however when an exception is granted the potential exists for cost savings in purchasing goods and services.

Prepared By: Mark Tygret

**Other Considerations**

None indicated.