LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 573** HLS 11RS 874
Bill Text Version: **ENGROSSED**
Opp. Chamb. Action:
Proposed Amd.:
Sub. Bill For.:

Date: June 7, 2011 7:36 PM
Author: WILLMOTT
Dept./Agy.: Division of Administration
Subject: Procurement Preference of Domestic Products Act
Analyst: Travis McIlwain

PROCUREMENT EG SEE FISC NOTE See Note
Enacts the Procurement Preference of Domestic Products Act

Proposed legislation with proposed house committee amendments provides that state procurement officials may purchase materials which are manufactured in the United States if the following conditions are met: 1.) cost of such items does not exceed the cost of the other items which are manufactured outside the U.S. by more than 5%, 2.) the vendor of such items agrees to sell the items at the same price as the lowest bid offered on such item, 3.) in cases where more than one bidder offers items manufactured in the U.S. which are within 5% of the lowest bid, the bidder offering the lowest bid on such items is entitled to accept the price of the lowest bid on such items, 4.) vendor has certified that such items are manufactured in the United States. Proposed legislation provides for the Office of State Purchasing to promulgate rules and regulations for the provision of this section.

EXPENDITURES	**2011-12**	**2012-13**	**2013-14**	**2014-15**	**2015-16**	**5 -YEAR TOTAL**
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	$0	$0	$0	$0	$0	**$0**
Ded./Other	$0	$0	$0	$0	$0	**$0**
Federal Funds	$0	$0	$0	$0	$0	**$0**
Local Funds	$0	$0	$0	$0	$0	**$0**
Annual Total	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

REVENUES	**2011-12**	**2012-13**	**2013-14**	**2014-15**	**2015-16**	**5 -YEAR TOTAL**
State Gen. Fd.	$0	$0	$0	$0	$0	**$0**
Agy. Self-Gen.	$0	$0	$0	$0	$0	**$0**
Ded./Other	$0	$0	$0	$0	$0	**$0**
Federal Funds	$0	$0	$0	$0	$0	**$0**
Local Funds	$0	$0	$0	$0	$0	**$0**
Annual Total	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. The proposed legislation gives preference to U.S. manufactured goods if such goods are not more than 5% of the goods manufactured outside the U.S. and the vendor agrees to sell the items at the same price as the lowest bid offered.

To the extent the U.S. vendor's bid is 0% to 5% more than an outside U.S. vendor's bid, then preference will be granted to the U.S. vendor if that U.S. vendor agrees to sell the items at the same price as the lowest bid offered.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Dual Referral Rules

Senate
- ☐ 13.5.1 >= $100,000 Annual Fiscal Cost {S&H}
- ☐ 13.5.2 >= $500,000 Annual Tax or Fee Change {S&H}

House
- ☐ 6.8(F)1 >= $500,000 Annual Fiscal Cost {S}
- ☐ 6.8(F)2 >= $100,000 Annual SGF Cost {H&S}
- ☐ 6.8(G) >= $500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux

Evan Brasseaux
Staff Director