



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

SENATE BILL NO. 296

PRINTERS NO. 1597

PRIME SPONSOR: Eichelberger

COST / (SAVINGS)

FUND	FY 2011/12	FY 2012/13
General Fund	\$0	\$0

SUMMARY:

Senate Bill 296 amends the Public School Code relating to bid limitations for construction and supply contracts.

ANALYSIS:

This legislation would increase the maximum amount of a contract before it must be put out for bids. Under current law a school district must seek written or telephone price quotes from at least three contractors or suppliers for contracts over \$4,000, but not more than \$10,000. This legislation increases those limits to \$10,000 and \$18,500, respectively. Under current law, a school district must advertise for bidders in a newspaper of general circulation for contracts exceeding \$10,000. This legislation would increase that limit to \$18,500. For projects costing \$10,000 or less, school districts could use their own maintenance staff.

The bill provides that all these limits in the future would increase based on the Consumer Price Index for All Urban Consumers, with an annual cap of 3 percent.

The provisions of this legislation would apply to all public school entities, the Thaddeus Stevens College of Technology, and the universities of the Pennsylvania State System of Higher Education.

FISCAL IMPACT:

Enactment of this legislation will have no adverse impact on Commonwealth funds. It may save the affected entities money based on advertising fewer projects in newspapers of general circulation.

PREPARED BY: Jeff Miller
House Appropriations Committee (R)

DATE: October 24, 2011

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.