



February 7, 2020

**SUMMARY OF ORIGINAL BILL:** Makes various changes to the law concerning governmental entities purchasing services or commodities from the central nonprofit agency that works to provide individuals with severe disabilities competitive integrated employment opportunities. Removes references to work centers for the blind. Changes the name and composition of the advisory committee that oversees the program. Requires members of the advisory committee to serve without compensation for service or reimbursement for travel or other expenses incurred for attending meetings.

**FISCAL IMPACT OF ORIGINAL BILL:**

Other Fiscal Impact – Due to multiple unknown factors, an exact fiscal impact on state and local government cannot be determined with reasonable certainty.

**SUMMARY OF AMENDMENT (014144):** Deletes the word “shall” and substitutes the word “may” in Tenn. Code Ann. § 71-4-703(d) of the original bill, relative to purchases of services or commodities by governmental entities from the central nonprofit agency.

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

**Unchanged from the original fiscal note.**

Assumptions for the bill as amended:

- Currently, the Advisory Committee for Purchase from the Blind and Other Severely Disabled consists of five Commissioners and three private citizens, for a total of eight members. The Commissioner’s expenses for performing their duties are assumed to be covered as they would serve during the regular course of business. However, the three private citizens are currently entitled to all necessary expenses incurred to perform their duties.
- The proposed legislation:
  - Changes the name of the advisory committee to the Advisory Committee for Providing Competitive Integrated Employment for Individuals with Severe Disabilities (Committee);

- Adds the Commissioner of Transportation or the Commissioner’s designee to the Committee;
  - Adds an additional private citizen to the Committee;
  - Requires the Committee to meet quarterly; and
  - States all members of the Committee will serve without compensation and do not receive travel expenses.
- It is assumed that the proposed legislation will not significantly decrease state expenditures relative to reimbursement of private citizens for necessary expenses incurred in performance of their duties.
  - The Commissioner of Transportation or his designee will serve on the Committee utilizing existing resources; therefore, any fiscal impact is estimated to be not significant.
  - Pursuant to Tenn. Code Ann. § 71-4-701, the current program applies to any political subdivision of the state having its own purchasing agency and includes governmental divisions of the state, counties, municipalities, school districts or any other public bodies supported in whole or in part by the General Assembly.
  - The proposed legislation establishes that the program will apply to all state governmental entities or political subdivisions that are supported in whole or in part by the General Assembly. A political subdivision is defined as any local governmental entity, including, but not limited to, any city, town, municipality, metropolitan government, county, utility district, school district, public building authority, housing authority, emergency communications district, development district, or any instrumentality of government created by any one or more local governmental entities.
  - The Community Rehabilitation Agencies of Tennessee (CMRA) is the nonprofit organization designated to assist the Committee in administering the program.
  - Under current law, “certified commodities or services” are defined as commodities produced with value added through manufacturing, repackaging or assembly process, services provided with value added, and commodities and services that have been recommended by the CMRA as suitable for procurement by any entity of state government and that are certified by the State Procurement Commission as to quality, availability, and fair market price.
  - The proposed legislation defines “certified commodities or services” as commodities and services that have been recommended by the CMRA as suitable for procurement by any state governmental entity or as suitable for statewide contracts and that are certified pursuant to procedures approved by the State Procurement Commission as to quality, availability, and fair market price and those commodities and services that have been recommended by CMRA as suitable for procurement by political subdivisions and that are certified by the chief financial officer (CFO) of the political subdivision as to quality, availability and fair market price.
  - Under current law, the program does not apply in any case in which commodities or services are available from any agency of the state or where the State Procurement Commission determines that the commodities or services do not meet the reasonable requirements of a department, institution, agency, or political subdivision of this state.
  - The proposed legislation will not apply in any case in which commodities and services are available from any state government entity, where the State Procurement Commission determines that the commodities or services do not meet the reasonable

requirements of a state government entity, or where the CFO determines that the commodities or services do not meet reasonable requirements of the political subdivision. "Reasonable requirements" is not defined by this legislation.

- The extent to which the proposed legislation will apply to additional state governmental entities and political subdivisions that are currently not subject to the program requirements is unknown.
- In addition, the proposed legislation's impact on the type and number of commodities and services that will be recommended by CMRA as suitable for procurement, the factors that will determine what constitutes reasonable requirements that are to be met by state and local agencies, the legislation's impact on state and local expenditures for public assistance and services to individuals with severe disabilities, and the timing of any current and future contracts that may be impacted by this legislation are unknown.
- Due to such multiple unknown factors, an exact fiscal impact on state and local governments cannot be determined with reasonable certainty.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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