
**OFFICE OF GOVERNOR RONNIE MUSGROVE
INTEROFFICE MEMORANDUM**

TO: GOVERNOR MUSGROVE

FROM: FELICIA GAVIN

RE: HB 5 COMMENTS

DATE: APRIL 9, 2002

This bill increases bid thresholds. There are definite pros and cons to signing this bill. It will allow more flexibility for good purchasing agents. On the other hand, it will allow not so good purchasing agents to be less than fiscally responsible by increasing the threshold that does not require bids. Small vendors may be excluded because they will not know about the opportunities, or small businesses may benefit because the agency will not advertise. As a result, the large businesses may not know about it.

The bill also corrects when an amendment to a bid can be issued (two working days).

The bill requires the State Auditor to issue an annual report on emergency purchases.

This bill also exempts hospitals leases from bidding requirements. I disagree with this exemption.

In summary, assuming that we have responsible purchasing agents across the state, I recommend signing the bill.