

HOUSE BILL 2589

By Littleton

AN ACT to amend Tennessee Code Annotated, Section 12-3-1212; Section 49-13-111 and Section 49-2-203, relative to purchasing procedures.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 49-2-203(a)(3), is amended by deleting the language "estimated to exceed ten thousand dollars (\$10,000) or more" in subdivision (A) and substituting instead "estimated to be twenty-five thousand dollars (\$25,000) or more".

SECTION 2. Tennessee Code Annotated, Section 49-2-203(a)(3), is amended by deleting the language "ten thousand dollars (\$10,000)" in subdivisions (B) and (C) and substituting instead "twenty-five thousand dollars (\$25,000)".

SECTION 3. Tennessee Code Annotated, Section 49-2-203(a)(3)(A), is amended by designating the existing language as subdivision (a)(3)(A)(i) and adding the following language as subdivision (a)(3)(A)(ii):

(ii) Beginning with fiscal year 2021-2022, the amount specified in subdivisions (a)(3)(A)(i) and (a)(3)(B) for which purchases must be made by competitive bids or may be made on the open market must be increased by the greater of two percent (2%) or the rate of inflation as measured by the United States bureau of labor statistics consumer price index for all urban consumers. The resulting amount must be rounded to the nearest one hundred dollars (\$100). The comptroller of the treasury shall calculate the amount of the required increase and notify the department of education of the increase. The department shall post the increase and the increased amount on the department's website.

SECTION 4. Tennessee Code Annotated, Section 49-2-203(a)(3)(C)(i), is amended by deleting the period "." at the end of the second sentence and substituting instead the following language:

, which amount must be adjusted each fiscal year, beginning with the 2021-2022 fiscal year, as provided in subdivision (a)(3)(A)(ii).

SECTION 5. Tennessee Code Annotated, Section 49-13-111(e), is amended by deleting the subsection and substituting instead:

(e) All contracts for goods in excess of twenty-five thousand dollars (\$25,000) must be bid and must be approved by the governing body of the public charter school. The amount for which a contract for procurement of goods requires competitive bids must be increased each fiscal year, beginning with fiscal year 2021-2022, in accordance with § 49-2-203(a)(3)(A)(ii).

SECTION 6. Tennessee Code Annotated, Section 12-3-1212, is amended by deleting the language "LEA in accordance with § 49-2-203(a)",.

SECTION 7. This act shall take effect July 1, 2020, the public welfare requiring it.