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H.B. 87
134th General Assembly

Fiscal Note & Local Impact Statement

[Click here for H.B. 87's Bill Analysis](#)

Version: As Passed by the Senate

Primary Sponsor: Reps. Stephens and John

Local Impact Statement Procedure Required: No

Tom Wert, Senior Budget Analyst

Highlights

- Counties may be able to secure long-term utility prices at rates lower than they would otherwise pay by contracting for light, heating, or power for terms in excess of ten years as under the bill.
- The bill declares an emergency and would go into immediate effect.

Detailed Analysis

The bill allows a board of county commissioners to contract for lighting, heating, or power for periods in excess of ten years and may result in long-term savings on utility costs paid by counties. Under current law, contracts for such utilities are limited to a maximum term of ten years. Because the bill allows for longer term contracts under a joint purchasing program, counties may be able to secure utilities pricing for future years (beyond ten) at rates lower than they otherwise enjoy when renegotiating contracts at maximum intervals of ten years. It is difficult, however, to estimate any potential savings as they would depend on the future price of the contracted utility, which are quite variable. The bill declares an emergency and thus would go into immediate effect.