

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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FISCAL IMPACT STATEMENT

LS 7096

BILL NUMBER: HB 1286

NOTE PREPARED: Jan 20, 2022

BILL AMENDED:

SUBJECT: Request for Proposals for Solid Waste Contracts.

FIRST AUTHOR: Rep. Carbaugh

FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: The bill authorizes a town or a city other than Indianapolis to enter into a contract for the collection and disposal of solid waste through a request for proposals process instead of an invitation for bids process. It establishes a request for proposals procedure under which a town or a city other than Indianapolis may enter into a contract for the collection and disposal of solid waste.

Effective Date: July 1, 2022.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: The bill could potentially increase costs for municipal units issuing contracts for the collection and disposal of solid waste by using a request for proposal (RFP) process rather than a bidding process. The contract cost may also be higher than a bid contract, which awards a contract to the lowest cost bidder. The bill indicates the RFP process may be used when it is beneficial to the municipality to consider facility design, system reliability, energy efficiency, and compatibility with source separation, instead of cost alone. The actual fiscal impact will depend on local action.

Additional costs may result from a longer offer process, holding a public hearing, and required notifications.

An action contesting the validity of the contract award or the procedure by which the contract was awarded must be brought within 30 days.

Additional Information - Under the bill, for the RFP process, the board of public works or the board of public works and safety of a municipality is responsible to:

1. Ask a bidder to submit information for pre-qualification, upon the decision of the board.
2. Adopt an RFP and publish notice about the RFP and, if applicable, any qualification sought for pre-qualification.
3. Provide a 30-day period for comments and receipt of qualifications.
4. Select proposers and adopt an RFP.
5. Prescribe the form and content of proposals, and, if appropriate, cost limits.
6. Receive responses within 30 days of the RFP adoption date.
7. Evaluate the proposals and negotiate with any responsible proposer on behalf of the municipality.
8. Hold a public hearing at which the public may submit comments on the contract to be awarded.
9. Award the contract.

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected: Municipalities.

Information Sources:

Fiscal Analyst: Corrin Harvey, 317-234-9438.