

FINAL**NO FISCAL IMPACT****Drafting Number:** LLS 07-0562**Date:** May 31, 2007**Prime Sponsor(s):** Rep. Kefalas
Sen. Groff**Bill Status:** Signed Into Law**Fiscal Analyst:** Chris Ward (303-866-5834)**TITLE:** CONCERNING A PREFERENCE FOR THE PURCHASE OF ENVIRONMENTALLY PREFERABLE PRODUCTS BY GOVERNMENTAL ENTITIES.**Summary of Assessment**

This bill requires governmental entities in Colorado to purchase "environmentally preferable" products or services when certain conditions are met. The purchasing preference applies to products and services that have a lesser or reduced effect on human health and the environment than comparable competing products. Agencies can accept bids for environmentally preferable products or services that cost up to 5 percent more than the lowest bid. But, higher bids are also allowed if a life cycle analysis shows that purchasing the environmentally preferable products or services will result in long-term savings. Each purchasing agency must ensure that the purchase can be accommodated within the agency's existing budget. Any agency that spends over five percent more for an environmentally preferable product or service must report to the Joint Budget Committee the results of any life-cycle cost analysis used to justify the purchase.

The bill was signed into law by the Governor on April 25, 2007, and unless a referendum is filed, the bill will take effect August 3, 2007.

Some purchases by state agencies will be affected by the new preference for environmentally preferable products and services, but no increase in state expenditures is expected. Since agencies may only choose environmentally preferable products or services when the purchase can be accommodated within existing appropriations, the bill is assessed as having no fiscal impact.

Departments Contacted

All Departments