

News You Can Use July 2011

Cooperative Purchasing

New York State Cooperative Purchasing – If you attended this year's H2O conference in Minnesota, you may remember that David Yarkin reported that local governments will now be able to use NJPA contracts. Unfortunately, that analysis was a bit premature. Cooperative purchasing in New York State DID get a little closer this legislative session—a [bill](#) authorizing local governments to use cooperative purchasing agreements passed the Senate, but was tabled until next year. Local governments ARE now authorized to purchase from GSA Schedules 70 and 84. Stay tuned in early 2012 for additional information.

Coop purchasing: Vital Now More than Ever – I read the column by Tacoma's purchasing manager, Steven M. Demel [Is Cooperative Purchasing Too Successful?](#) with equal amounts of bemusement and horror. I was amused by his complaints that there are too many viable choices that would, in his words, "save buyer time and take advantage of group buying power." I have three young children under the age of 10, and I have yet to hear them complain that there were too many delicious choices for dessert after dinner. But while the comparison may be amusing, if they impacted public policy, the consequences of columns like Mr. Demel's could be devastating to the public procurement community and the agency customers we serve. [Read more....](#)

Upcoming Elections

An Update on the 2011-2012 Gubernatorial Contests – Over the past seven months, Democratic fortunes have improved in almost half of the 14 gubernatorial races in 2011 and 2012. Most of the shifts appear to stem from localized factors rather than a national trend. Still, Democrats can feel some relief that several of their candidates have made marginal improvements just a few months after a devastating midterm election. [Read more....](#)

Budgets and the Economy

How a federal default would hit states – If the federal government begins defaulting on its obligations next week, it will clearly have some impact on states. The question nobody knows the answer to is: How much? A lot would depend on how the U.S. Treasury decides to prioritize its payments, as [this analysis](#) from the Bipartisan Policy Center makes clear. [Read more....](#)

Better than Cutting – Slashing budgets across the board protects the worst spending. There are plenty of far more effective ways to go. Instead of just cutting, we should ask: How can we create the most value with less money? Even better, are there ways to leverage "less money" to actually move our organizations forward? [Read more....](#)

Keating Report on government budgets and spending, 2nd half 2011 – Governments are coping with a soft economy and the congressional budget deficit stalemate, but there is good news, too — such as higher state and local tax revenues flowing into government coffers. Experts from the Council of State Governments, the Heritage Foundation, the Center on Budget and Policy Priorities and other organizations offer their views on second-half 2011 government budgets and government spending. [Read more....](#)

Layoff notices begin to go out to Washington state workers – Dozens of state government workers have been given layoff notices as Washington agencies begin to implement budget cuts at the start of a new fiscal year. The heaviest reductions are taking place at the Department of Information Services (DIS), which provides technology support to state and local government agencies. More than 30 workers there have received layoff notices while another 30 positions that had been vacant are now being eliminated for good. Those cuts eliminate more than 10 percent of the agency's work force. [Read more....](#)

Local government budget trends – Even with higher revenues, local and state governments will be prudent in their purchases, says Steven Latin-Kasper, market data and research director at the Farmington Hills, Michigan-based National Truck Equipment Association. "Most municipal and state governments are really still waiting to see a big tax revenue increase compared to the previous period, especially 2011 compared to 2010," he says. "Tax revenues will be up generally speaking, but it's not going to be huge increases, and big chunks of those revenue increases, whatever they end up being, will be used to pay down deficits. So, there is not going to be a whole lot of new spending going on as a result of tax revenues starting to go up." [Read more....](#)

Budget picture brightens in new fiscal year – With most states closing their books on a fiscal year that ended last month, several report that revenues are recovering from record lows brought on by the recession. [Read more....](#)

Purchasing Trends

Massachusetts Governor signs several purchasing-related Executive Orders –

- [EXECUTIVE ORDER NO. 531](#): Consolidating Executive Department large scale print, copy and mail operations
- [EXECUTIVE ORDER NO. 533](#): Enhancing the efficiency and effectiveness of Executive Department Procurements and establishing a municipal Procurement Program

Arizona Governor Brewer's panel urges privatization – Arizona should consider letting a private company run its state lottery, make additional changes to the state's pension system and alter the way it funds public education if it wants to minimize waste and save money. Those are among the 16 recommendations from Gov. Jan Brewer's Commission on Privatization and Efficiency. [Read more....](#)

New Wisconsin spending spotlight effort meets skepticism – Measure requires online posting of state purchases that exceed \$100. A new state effort aims to shed a bright light on state spending, but some observers are skeptical about the state's will and ability to flip the switch. [Read more....](#)