

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4584-01
Bill No.: SB 1249
Subject: State Departments; Administration, Office of; Contracts and Contractors;
Business and Commerce
Type: Original
Date: February 20, 2004

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of the State Auditor**, the **Department of Mental Health**, the **Department of Conservation**, the **Department of Labor and Industrial Relations**, the **Public School Retirement System**, the **Department of Elementary and Secondary Education**; the **Department of Economic Development**, **Public Service Commission**; the **Department of Public Safety**, **Division of Alcohol and Tobacco Control**, **Missouri Veterans Commission**, **Division of Fire Safety**, **State Emergency Management Agency**, **Capitol Police**, and **State Water Patrol**; the **Office of Administration**, **Division of Budget and Planning**, and, **Division of Design and Construction**; the **State Tax Commission**, the **Office of the Governor**, the **Department of Social Services**, the **Office of State Public Defender**, the **Missouri House of Representatives**, the **Missouri Gaming Commission**, and the **Missouri Senate**, assume this proposal would have no impact on their organizations.

Officials from the **Office of the Lieutenant Governor** assume this proposal would have an unknown cost on their organization.

ASSUMPTIONS (continued)

Officials from the **Department of Transportation** (MODOT) assume that for all purchases, MODOT will be required to develop specifications and evaluation criteria that will allow us to seek fair and competitive bids that can be evaluated on price, performance and quality; perform an economic impact analysis for Missouri products versus the economic impact of products generated from out-of-state; and provide a written explanation to support an award to a non-Missouri manufacturer or service provider. MODOT will also have to defend its current contracting procedures and challenge the validity of any state law (such as this), which gives state bidding and contract statutory law superior treatment and application over binding federal-aid grant statutory or regulatory authority.

The amount of additional staff time that would be necessary to complete the additional duties is unknown. MODOT assumes that the duties can be completed with current staff possibly working overtime hours. An additional FTE may be required; however MODOT is unable to determine at this time if it would be necessary due to the uncertainty as to the number of products that would be affected and the legal challenges that could be raised. The negative fiscal impact is unknown.

Oversight assumes this proposal could be implemented with no or minimal impact since it codifies an existing executive order, and requires the use of a Missouri vendor only if quality is equal or better, and price is equal or less, than alternatives.

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal would codify Executive Order 03-27 into statute by expanding the preference given by state bodies to Missouri businesses.

SS:LR:OD (12/02)

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of the State Auditor
Department of Mental Health
Department of Transportation
Department of Labor and Industrial Relations
Public School Retirement System
Department of Elementary and Secondary Education
Department of Economic Development
 Public Service Commission
Department of Public Safety
 Division of Alcohol and Tobacco Control
 Missouri Veterans Commission
 Division of Fire Safety
 State Emergency Management Agency
 Capitol Police
 State Water Patrol

SOURCES OF INFORMATION (continued)

Office of Administration

Division of Budget and Planning

Division of Design and Construction

State Tax Commission

Office of the Governor

Department of Social Services

Office of State Public Defender

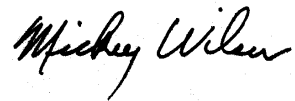
Missouri House of Representatives

Missouri Gaming Commission

Missouri Senate

Office of the Lieutenant Governor

Department of Conservation

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
February 20, 2004