

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4963-01
Bill No.: SB 595
Subject: Construction; Contracts and Contractors
Type: Original
Date: December 30, 2015

Bill Summary: This proposal modifies provisions of law relating to construction management.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
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 2017	FY 2018	FY 2019
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on FTE	0	0	0

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at **Northwest Missouri State University** assume a financial impact from this proposal, but it is difficult to quantify. This proposal will allow Construction Manager at Risk (CM) as well as a Design Build process. There will be a learning process that will be established to follow the regulations. It is unknown at this time if there is any future project in which a CM or Design Build would be used.

Oversight assumes the local political subdivisions would not use CM or a Design Build process unless it would either save money, provide some other benefit, or be absorbed within current budget appropriations. Therefore, Oversight will assume a no fiscal impact to local political subdivisions from this proposal.

Officials at the **Department of Higher Education**, the **Department of Conservation**, the **Department of Labor and Industrial Relations**, the **Office of Administration's Division of Purchasing** and **Division of Facilities Management, Design and Construction**, the **Department of Insurance, Financial Institutions and Professional Registration**, the **Department of Economic Development**, the **Department of Health and Senior Services** and the **Missouri Department of Transportation** each assume no fiscal impact to their respective agencies from this proposal.

Officials at **Missouri State University**, the **University of Missouri System**, the **University of Central Missouri**, the **State Technical College**, the **City of Kansas City** and the **Metropolitan St. Louis Sewer District** each assume no fiscal impact to their respective entities from this proposal.

Officials at the **City of Liberty** responded to our request, but did not provide information on fiscal impact for this proposal.

Officials at the following cities: Ashland, Belton, Bernie, Bonne Terre, Boonville, California, Cape Girardeau, Clayton, Columbia, Dardenne Prairie, Des Peres, Excelsior Springs, Florissant, Frontenac, Fulton, Gladstone, Grandview, Harrisonville, Independence, Jefferson City, Joplin, Kearney, Knob Noster, Ladue, Lake Ozark, Lee Summit, Louisiana, Maryland Heights, Maryville, Mexico, Monett, Neosho, O'Fallon, Pacific, Peculiar, Pineville, Popular Bluff, Raytown, Republic, Richmond, Rolla, Sedalia, Springfield, St. Charles, St. Joseph, St. Louis, St. Robert, Sugar Creek, Sullivan, Warrensburg, Warrenton, Webb City, Weldon Spring and West Plains did not respond to **Oversight's** request for fiscal impact.

ASSUMPTION (continued)

Officials at the following colleges: Crowder, East Central Community College, Harris-Stowe, Jefferson College, Lincoln University, Metropolitan Community College, Moberly Area Community College, Missouri Southern State University, Missouri Western State University, Southeast Missouri State University, State Fair Community College, St. Charles Community College, St. Louis Community College, Three Rivers Community College and Truman State University did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

There could be a direct fiscal impact to small businesses as a result of this proposal.

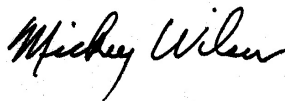
FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

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

Northwest Missouri State University
Department of Higher Education
Department of Conservation
Department of Labor and Industrial Relations
Office of Administration
 Division of Purchasing
 Division of Facilities Management, Design and Construction
Department of Insurance, Financial Institutions and Professional Registration
Department of Economic Development
Department of Health and Senior Services
Missouri Department of Transportation
Missouri State University
University of Missouri System
University of Central Missouri
State Technical College
City of Kansas City
Metropolitan St. Louis Sewer District
City of Liberty



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December 30, 2015

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December 30, 2015