COMMITTEE ON LEGISLATIVE RESEARCH OVERSIGHT DIVISION

FISCAL NOTE

<u>L.R. NO.</u>: 3412-01 <u>BILL NO.</u>: SB 759

SUBJECT: Public Buildings; Office of Administration

TYPE: Original

DATE: February 4, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS				
FUND AFFECTED	FY 2001	FY 2002	FY 2003	
General Revenue	\$0	\$0	\$0	
Blind Pension	\$35,320 to \$45,400	\$35,320 to \$45,400	\$35,320 to \$45,400	
Total Estimated Net Effect on <u>All</u> State Funds	\$35,320 to \$45,400	\$35,320 to \$45,400	\$35,320 to \$45,400	

ESTIMATED NET EFFECT ON FEDERAL FUNDS				
FUND AFFECTED	FY 2001	FY 2002	FY 2003	
None	\$0	\$0	\$0	
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0	

ESTIMATED NET EFFECT ON LOCAL FUNDS				
FUND AFFECTED	FY 2001	FY 2002	FY 2003	
Local Government	\$0	\$0	\$0	

Numbers within parentheses: () indicate costs or losses

This fiscal note contains 4 pages.

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FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Administration - Division of Facilities Management (COA)** assume the proposal would result in a net increase in revenue. The COA assumes it would be the responsibility of staff in the buildings to make the COA aware when there is leased space available for rent. The COA assumes they would anticipate getting 8-10 requests per year to bid out approximately 500 square feet per lease. At an average rental rate of \$10.08, this would result in increased revenue of \$40,320 - \$50,400 per year. The existing staff could handle the additional workload; however, travel, administrative and advertising costs of approximately \$5,000 would also be incurred.

Officials from the Office of Administration - Division of Design and Construction (D&C), Department of Transportation (DHT), Department of Corrections (DOC), Missouri Department of Conservation (MDC) and the Department of Natural Resources (DNR) assume the proposal would have no fiscal impact on their agencies.

FISCAL IMPACT - State Government	FY 2001 (10 Mo.)	FY 2002	FY 2003
GENERAL REVENUE FUND			
Income-Office of Administration (COA)			
Lease revenue	\$40,320 to	\$40,320 to	\$40,320 to
	\$50,400	\$50,400	\$50,400
Costs-COA			
Expense	(\$5,000)	(\$5,000)	(\$5,000)
Transfer to Blind Pension Fund			
excess of revenues over expenses	(\$35,320 to	(\$35,320 to	(\$35,320 to
	\$45,400)	\$45,400)	\$45,400)
ESTIMATED NET EFFECT TO			
GENERAL REVENUE FUND	<u>\$0</u>	\$0	<u>\$0</u>

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FISCAL IMPACT - State Government	FY 2001 (10 Mo.)	FY 2002	FY 2003
BLIND PENSION FUND			
Income - Department of Social Services (DOS) Transfer from General Revenue Fund			
excess of revenues over expenses	\$35,320 to \$45,400	\$35,320 to \$45,400	\$35,320 to \$45,400
FISCAL IMPACT - Local Government	FY 2001 (10 Mo.)	FY 2002	FY 2003
	0	0	0

FISCAL IMPACT - Small Business

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

DESCRIPTION

The proposed legislation requires all unoccupied public office space controlled by the state to be leased to the highest bidder. Under the act, a successful bidder will be entitled to the exclusive use of the public office space for a year. The bidder is also entitled to use the parking area accompanying the public office space. Revenues generated from leasing the public office spaces shall be used for: 1) defraying expenses related to enforcing the act; 2) maintaining the public office space; and 3) the blind pension fund. The act allows taxpayers to enforce the act by filing an action in a circuit court. All public bids will be offered and awarded by the Office of Administration.

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

This proposal would affect Total State Revenues.

SOURCES OF INFORMATION

MLW:LR:OD:005 (9-94)

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Office of Administration - Division of Facilities Management Office of Administration - Division of Design and Construction Department of Transportation Department of Corrections Missouri Department of Conservation Department of Natural Resources

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Director

February 4, 2000