

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0452-01
Bill No.: SB 168
Subject: Commissioner of Administration Could Waive Bids for Mental Health Services.
Type: Original
Date: January 3, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government			

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Mental Health (DMH)** stated the proposed legislation will allow the Department to continue its current practice, previously authorized in statute, to let fixed price contracts. The scope of the procedures and responsibilities remain unchanged. Therefore, the DMH will not incur a fiscal impact.

Officials from the **Office of Administration - Purchasing and Materials Management (COA)** stated the proposed legislation would not fiscally impact their organization. However, COA officials did state they are unable to determine the long-range impact of allowing Chapter 34 bidding requirements to be waived for certain purchases made by the Department of Mental Health. Chapter 34 bidding requirements are intended to provide open and fair competition for state contracts and ensure that the state receives the "lowest and best" products and services.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
	\$0	\$0	\$0
<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
	\$0	\$0	\$0

FISCAL IMPACT - Small Business

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

DESCRIPTION

This proposal will allow the Commissioner of Administration to waive the required bidding procedures for the purchase of services for patients, residents, and clients of the Department of Mental Health if such services can best be purchased directly by the department.

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

L.R. No. 0452-01
Bill No. SB 168
Page 3 of 3
January 3, 2001

Department of Mental Health
Office of Administration

A handwritten signature in black ink, appearing to read "Jeanne Jarrett". The signature is stylized with a large initial "J" and a cursive script.

Jeanne Jarrett, CPA
Director

January 3, 2001