

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. NO.: 0597-01  
BILL NO.: SB 122  
SUBJECT: Attorney General; State Departments  
TYPE: Original  
DATE: January 25, 2001

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
None	\$0	\$0	\$0
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
None	\$0	\$0	\$0
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 3 pages.

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**FISCAL ANALYSIS**

**ASSUMPTION**

Officials from the **Office of the Attorney General, Department of Elementary and Secondary Education, Department of Transportation, Department of Labor and Industrial Relations, Department of Health, Department of Agriculture, Coordinating Board of Higher Education, Office of Administration, Department of Insurance, Department of Public Safety, Department of Revenue and Department of Social Services** assume the proposed legislation would have no fiscal impact on their agencies.

Officials from the **Department of Economic Development** assume that any costs to their department for additional reporting/processing cannot be estimated.

Officials from the **Department of Mental Health (DMH)** stated that the department has not typically retained outside counsel. Expenditures less than \$25,000.00 would still be handled through the local purchase authority. Expenditures greater than \$25,000.00 would be bid through OA-Division of Purchasing and Materials Management. Given the past history, there would be no fiscal impact to DMH. However, future events which may require outside legal counsel cannot be predicted.

Officials from the **Department of Conservation** assume the proposed legislation could increase litigation costs for the department. Officials stated that the amount of fiscal impact is negligible.

Officials from the **Department of Natural Resources (DNR)** indicated they currently retain lawyers throughout the state to serve as hearing officers on commission actions for permit appeals. In the aggregate, the DNR may spend more than \$100,000 for these services. The amount spent on this activity is dependent on the number of permit appeals the commissions hear. The DNR is unable to determine how many hearings and the associated costs that may arise, but officials assume this proposal could result in a procedural change.

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

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FISCAL IMPACT - Small Business

The proposed legislation could have a fiscal impact on small businesses involved in the legal profession.

DESCRIPTION

The proposed legislation requires state agencies to use competitive bidding when contracting for legal services. State agencies shall not enter into a contract that exceeds or can be reasonably expected to exceed \$100,000 without a specific appropriation for that purpose.

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

Department of Agriculture  
Office of the Attorney General  
Coordinating Board of Higher Education  
Office of Administration  
Department of Elementary and Secondary Education  
Department of Labor and Industrial Relations  
Department of Economic Development  
Department of Transportation  
Department of Natural Resources  
Department of Insurance  
Department of Mental Health  
Department of Health  
Department of Revenue  
Department of Social Services  
Department of Conservation  
Department of Public Safety

**NOT RESPONDING: Department of Corrections**



Jeanne Jarrett, CPA  
Director

January 25, 2001