

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3578-01
Bill No.: SB 867
Subject: Roads and Highways
Type: Original
Date: January 28, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials with the **Department of Transportation (MoDOT)** assume this legislation grants them the authority to use design-build and does not limit the projects for which design-build may be used by MoDOT. It leaves to the sole discretion of MoDOT whether to pay a reasonable fee to responsive bidders who are not awarded a design-build project and gives MoDOT the authority to comply with federal requirements for use of federal funds on design-build projects.

MoDOT notes this legislation would have small fiscal impact which they are unable to estimate, however, these costs would be absorbed by MoDOT.

Officials with the **Office of Administration (COA)** assume the proposal would have no fiscal impact on their agency.

Officials with the **Office of the Secretary of State (SOS)** assume the proposal allows the Missouri Highways and Transportation Commission (the Commission) to engage in design-build contracts. The Commission may promulgate rules to implement this bill. Based on experience with other divisions, the rules, regulations, and forms issued by the Commission could require as many as approximately 24 pages in the Code of State Regulations. For any given rule, roughly one and a half as many pages (36) are published in the Missouri Register as in the Code because cost statements, fiscal notes, and the like are not repeated in the Code. The estimated cost of a page in the Missouri Register is \$23. The estimated cost of a page in the Code of State Regulations is \$27. Therefore, the printing costs for the Missouri Register are \$828 (\$23 x 36). The printing costs for the Code are \$648 (\$27 x 24). The total printing costs are \$1,476 (\$828 + \$648). These costs are estimated.

Oversight assumes the **SOS** could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the **SOS** could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Local Government

FY 2003
(10 Mo.)

FY 2004

FY 2005

\$0

\$0

\$0

FISCAL IMPACT - Small Business

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

DESCRIPTION

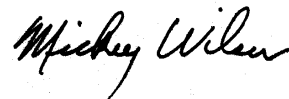
This proposal permits the Transportation Commission to enter into design-build contracts. The design-build contract may be for the construction or work for any length of road. Architectural, engineering, and land services provided for a design-build project must be done by a licensed professional.

The proposal has an emergency clause.

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 Transportation
Office of Administration
Office of the Secretary of State



Mickey Wilson, CPA
Acting Director
January 28, 2002