

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

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
None	\$0	\$0	\$0
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
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 2002	FY 2003	FY 2004
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 3 pages.

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.

<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

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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