

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 793** HLS 24RS 1605

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 3, 2024	11:41 AM	Author: COATES
Dept./Agy.: Hospital Service Districts		Analyst: Chris Henry
Subject: Contract Limit		

PUBLIC CONTRACT/BIDS

OR SEE FISC NOTE LF EX

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Provides relative to a contract limit for hospital service districts

Current law provides for a limit on public works contracts which are not required to be advertised and let to the lowest bidder that is equal to \$250,000 per project, with certain exceptions. Proposed legislation adds an exception that would set this limit at \$2 M for projects undertaken by Hospital Service Districts.

EXPENDITURES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Annual Total						
REVENUES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Proposed law provides that public works projects undertaken by Hospital Service Districts with an estimated total cost under \$2 M, including labor and materials, to be contracted without a public bid. The lack of public bids for these projects could impact total project expenditures depending on the personnel resources and expertise available to the HSD, local material and labor costs, contractor availability, contract negotiations, and other factors. Hospital Service Districts could also realize an indeterminable reduction in expenditures by not being required to advertise public works projects estimated under \$2 M. The number of such projects that are bid annually is unknown, thus the net effect to the districts is indeterminable.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

House

13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Patrice Thomas
Deputy Fiscal Officer