

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 1261** HLS 14RS 2798
 Bill Text Version: **ENGROSSED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: April 21, 2014 12:31 PM	Author: ABRAMSON
Dept./Agy.: Division of Administration (DOA)	Analyst: Travis McIlwain
Subject: State Contracts	

FISCAL CONTROLS EG +\$195,000 GF EX See Note Page 1 of 1
 Establishes certain requirements regarding state contracts

Proposed bill requires that prior to any contracting entity entering into a contract with a state agency, the contracting entity shall submit various information and documents to the commissioner of administration. Proposed bill provides that a state agency contracting with a contracting entity shall certify that the contracting entity is not on the noncompliance list posted on the website of the legislative auditor at the time the contract is executed. Proposed bill provides that the certification shall be submitted to the commissioner of administration and posted on website no later than 3 business days after the contract is executed. Proposed legislation provides that all submissions of information required of contracting entities shall be made in an electronic format designed by the commissioner of administration. Proposed legislation provides that the commissioner of administration shall maintain information on the website and shall provide for the ability for the public to easily obtain information regarding each contracting entity, including links to any relevant contract information maintained by the commissioner of administration.

EXPENDITURES	2014-15	2015-16	2016-17	2017-18	2018-19	5 -YEAR TOTAL
State Gen. Fd.	\$195,000	\$9,000	\$9,000	\$9,000	\$9,000	\$231,000
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	\$195,000	\$9,000	\$9,000	\$9,000	\$9,000	\$231,000

REVENUES	2014-15	2015-16	2016-17	2017-18	2018-19	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

This bill will result in an increase in state expenditures to the DOA in the anticipated amount of \$195,000 in FY 15 of which \$9,000 will be recurring expenditures in subsequent fiscal years and \$156,000 will be one time start up costs. This legislation requires the DOA to post a number of documents on its website and will necessitate the creation of web interfaces with the Legislative Auditor and state agencies, which will require the utilization of a vendor. According to the DOA, all of the necessary information would be stored in the current LaGOV System, which will require one-time application development costs of approximately \$156,000, the purchase of 2 servers at a cost of \$30,000 and \$9,000 of annual maintenance costs associated with the purchase of 2 servers.

According to the DOA, the tasks associated with the one time set up costs (\$156,000) include: expanding the vendor registration portal, adding a new screen to capture the additional information required by this bill, adding a table to hold the additional data, creation of a link to upload the required documents required in this bill, create a state agency portal to allow agencies to view data and certify compliance, creation of a public report with contact information as provided by this bill, creation of an interface with the Legislative Auditor and the creation of a reporting mechanism for state agencies and the purchase of 2 servers.

The annual \$9,000 maintenance costs is based upon the attachment size expectation of the documents to be received by the DOA. To the extent the document size is smaller than the DOA estimate, the annual maintenance costs would be reduced.

There is no anticipated direct material effect on governmental expenditures of the legislative auditor's office as a result of this measure.

REVENUE EXPLANATION

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

Senate	<u>Dual Referral Rules</u>	House	<input checked="" type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}	<i>Evan Brasseaux</i> Evan Brasseaux Staff Director
<input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}		<input type="checkbox"/> 6.8(F)(2) >= \$500,000 State Rev. Reduc. {H & S}		
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}		