

LEGISLATIVE FISCAL OFFICE

Fiscal Note



Fiscal Note On: **HB 376** HLS 15RS 372
 Bill Text Version: **REENGROSSED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: June 2, 2015 12:31 PM	Author: HARRIS
Dept./Agy.: Higher Education	Analyst: Charley Rome
Subject: Greater Participation in Federal Grants and Contracts	

PROCUREMENT RE SEE FISC NOTE GF EX See Note Page 1 of 1
 Grants public postsecondary institutions greater participation in receiving and monitoring contracts and federal grants

Requires agencies to notify Regents of federal grant programs for which agencies are responsible and to notify Regents prior to initiating competitive RFPs for any contract fully funded by federal funds. Regents shall develop guidelines/procedures to notify public and private institutions of services funded by federally funded contracts and to coordinate responses of institutions to determine if the services could be performed by employees or students of such institutions. Proposed law only applies to federally funded grant programs excluding programs administered by the Community Development Block Grant (CDBG) Program and grants that require matching funds. Proposed law additionally requires agencies to certify that Regents has determined that proposed professional, personal, consulting, or social service contracts (from any means of finance) over \$5,000 in value are not the type that could be performed by students or employees of a public or private postsecondary institution.

EXPENDITURES	2015-16	2016-17	2017-18	2018-19	2019-20	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						
REVENUES	2015-16	2016-17	2017-18	2018-19	2019-20	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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The Board of Regents and public higher education institutions should be able to meet the bill's requirements with existing staff and resources. The Board of Regents anticipates being able to utilize existing systems and information technology staff to implement an electronic notification process required by the bill. The Board of Regents also reports that duties related to reviewing contract or grant opportunities by each postsecondary institution could be absorbed by existing staff at each institution without the need for additional expenditures.

The Division of Administration (DOA) has reported the following issues related to the proposed legislation: 1). No time frame for agency waiting periods for responses from Regents regarding the ability/capacity of higher education institutions to perform service before agencies can proceed with RFPs. Unspecified delays could be problematic for agencies and increase their costs. To this issue, the Board of Regents is going to establish response deadlines for institutions within the policy/guidelines adopted as required in the bill. 2). The bill does not address pricing of services provided by higher education institutions and it is unclear how pricing would be determined.

REVENUE EXPLANATION

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

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|---|----------------------------|--------------|--|
| <u>Senate</u> | <u>Dual Referral Rules</u> | <u>House</u> | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S} |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} | | | <input type="checkbox"/> 6.8(F)(2) >= \$500,000 Rev. Red. to State {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} |

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