

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4333-01  
Bill No.: SB 1204  
Subject: Contracts and Contractors; Employers and Employees; Salaries and Wages  
Type: Original  
Date: February 24, 2004

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 4 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**FISCAL ANALYSIS**

**ASSUMPTION**

Officials from the **Department of Labor and Industrial Relations** and the **Department of Transportation** assume this proposal would have no impact on their organizations.

Although they did not respond to our request for information, officials from the **Department of Conservation** and the **Office of Administration, Division of Design and Construction** responded that a similar proposal would have no impact on their organizations.

Officials from the **University of Missouri**, in response to a similar proposal, assumed the proposal would have no impact on their organization.

Officials from the **Office of the Attorney General**, the **Department of Social Services**, and the **Department of Mental Health** did not respond to our request for information.

ASSUMPTION (continued)

Officials from the **Office of Administration, Division of Purchasing and Materials Management**, (OADC) assumed in response to a similar proposal that their organization would be required to develop bid forms incorporating the required language. OADC stated they were unable to estimate the cost of these changes.

**Oversight** assumes the costs would be minimal and could be absorbed with existing resources.

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

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

DESCRIPTION

This proposal would prohibit contractor from bidding or working on a project where the bid or work includes any subsidy of the contractor's labor costs from any third party. The contractor would be required to certify that applicable prevailing wages were paid to covered employees and that employee wages were not subsidized by any third party on that contract or on any other project.

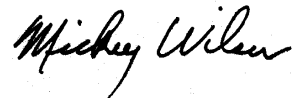
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Labor and Industrial relations  
Department of Transportation

NOT RESPONDING

**Office of Administration**  
**Office of the Attorney General**  
**Department of Conservation**  
**Department of Social Services**  
**Department of Mental Health**



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Director  
February 24, 2004