

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5353-05
Bill No.: Perfected SCS for SB 722
Subject: Cooperatives; Corporations; Contracts and Contractors
Type: Original
Date: March 7, 2012

Bill Summary: This proposal bars entities that invest in the energy sector in Iran from contracting with the state and political subdivisions.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of State Courts Administrator** state this proposal has no fiscal impact on the Courts.

Officials from the **Department of Economic Development - Public Service Commission, Division of Business and Community Services, and Office of Public Counsel** and the **Department of Insurance, Financial Institutions and Professional Registration** anticipate no fiscal impact to their respective agencies as a result of the proposed legislation.

Officials from the **Office of Attorney General (AGO)** assume this proposal would require the AGO to review information submitted by an awarding body. AGO assumes that costs could be absorbed with existing resources, but may seek an additional appropriation based on the number of submissions received for review and cases filed as a result.

Officials from the **Office of Administration - Division of Purchasing and Materials Management (DPMM)** stated this proposal could affect public entities and provided the following assumptions regarding this proposal:

§34.225.4 This provision will prevent DPMM from awarding a contract for goods and services in excess of one million dollars to a bidder that is a proscribed investor. Also, it would require DPMM to have all bidders certified that they are not a proscribed investor for contracts for goods and services in excess of one million dollars;

§34.225.5 DPMM would have to report to the attorney general the company's name that submitted a false certification; and,

§34.225.6 DPMM would not be able to renew a current contract after it has been determined the contractor is a proscribed investor.

Oversight assumes this proposal will not have a direct fiscal impact on entities and for fiscal note purposes only, will assign no fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

COA-DPMM assumes this proposal could have an economic impact on small businesses that engage in investment activities in the energy sector in Iran.

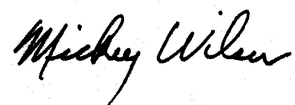
FISCAL DESCRIPTION

The proposed legislation appears to have no fiscal impact.

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

Office of Administration
Divisions of Purchasing and Materials Management
Office of State Courts Administrator
Department of Economic Development
Division of Business and Community Services
Public Service Commission
Office of Public Counsel
Department of Insurance, Financial Institutions and Professional Registration
Office of the Attorney General



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March 7, 2012

LMD:LR:OD