

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO.: 2680-01
BILL NO.: SB 688
SUBJECT: Commissioner of Administration Could Waive Bids for Mental Health Services
TYPE: Original
DATE: December 15, 1999

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
None			
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
None			
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses
 This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Mental Health (DMH)** did not respond to our request for fiscal impact. However, for a similar proposal from the previous session, the DMH stated that although the proposal will allow their Department greater flexibility in creating Request for Proposals, the scope of procedures and responsibilities remain unchanged. Therefore, the DMH anticipated no fiscal impact.

Officials from the **Office of Administration - Division of Purchasing and Materials Management** stated they are unable to determine the long-range impact of allowing Chapter 34 bidding requirements to be waived for certain purchases made by the Department of Mental Health. Chapter 34 bidding requirements are intended to provide open and fair competition for state contracts and ensure that the state receives the “lowest and best” products and services.

Based on a vote of the Oversight Subcommittee on March 11, 1999 on the fiscal note for an identical bill, **Oversight** reflects a \$0 cost or income related to this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
	\$0	\$0	\$0
<u>FISCAL IMPACT - Local Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
	\$0	\$0	\$0
<u>FISCAL IMPACT - Small Business</u>			

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

DESCRIPTION

This proposal will allow the Commissioner of Administration to waive the required bidding procedures for the purchase of services for patients, residents, and clients of the Department of Mental Health.

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

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SOURCES OF INFORMATION

Office of Administration
Department of Mental Health

A handwritten signature in black ink, appearing to read "Jeanne Jarrett". The signature is written in a cursive style with a large initial "J".

Jeanne Jarrett, CPA
Director
December 15, 1999