

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO. 3525-01
BILL NO. SB 818
SUBJECT: Corrections, Laundry Services.
TYPE: Original
DATE: February 8, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Working Capital Revolving Fund	(\$207,250)	(\$207,250)	\$0
Total Estimated Net Effect on <u>All</u> State Funds	(\$207,250)	(\$207,250)	\$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 Corrections** assume the proposed legislation would eliminate the ability of the Missouri Vocational Enterprises (MVE) to provide “laundry and linen services” for not-for-profit organizations as currently authorized.

At the present time, MVE has one-year contracts renewable to a maximum of three years for laundry and linen services with four (4) not-for-profit organizations as listed below:

- St. Mary’s Health Center, Jefferson City MO, expires April 2002
- Villa Marie Nursing Home, Jefferson City MO, expires April 2002
- BJC Health Systems (Boone Hospital), Columbia MO, expires March 2002
- SSM Health Care, St. Louis MO, expires September 2002

In total these contracts generate \$207,250 in annual profit to the Working Capital Revolving Fund, hence the initial impact of not renewing contracts will be \$207,250 in loss of profits in FY 2001 and FY 2002.

<u>FISCAL IMPACT - State Government</u>	FY 2001	FY 2002	FY 2003
	(10 Mo.)		

WORKING CAPITAL REVOLVING FUND

<u>Loss of Revenue - Department of Corrections</u>	(\$207,250)	(\$207,250)	\$0
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<u>FISCAL IMPACT - Local Government</u>	FY 2001	FY 2002	FY 2003
	(10 Mo.)		

	0	0	0
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FISCAL IMPACT - Small Business

The proposal could impact those not-for-profit organization that contract with the vocational enterprises program for laundry or linen services.

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DESCRIPTION

The proposed legislation authorizes the Vocational Enterprises Program of the Department of Corrections to provide laundry or linen services only to any department, agency or institution of the state, and any state employee.

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 Corrections
Office of Attorney General

NOT RESPONDING: Office of Attorney General



Jeanne Jarrett, CPA
Director
February 7, 2000