

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **SB 547** SLS 14RS 805

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> March 28, 2014 4:15 PM	<b>Author:</b> ADLEY
<b>Dept./Agy.:</b>	<b>Analyst:</b> Travis McIlwain
<b>Subject:</b> Public Contracts	

PUBLIC CONTRACTS

OR SEE FISC NOTE GF EX

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Provides relative to certain governmental agreements with private parties. (gov sig)

Proposed law provides that for any governmental agreements with private parties that are not subject to review by the office of contractual review and under which the total value is greater than \$50,000, certain specific provisions shall be required in the agreement or shall be prohibited from inclusion in the agreement. If these conditions are not met, the agreement is inequitable and contrary to the public policy of the state. Proposed law provides the legislature declares null, void, unenforceable and against public policy any agreement referenced. Proposed law provides that the attorney general and district attorney may enforce the provisions of this Act. Effective upon governor's signature.

<b>EXPENDITURES</b>	<b><u>2014-15</u></b>	<b><u>2015-16</u></b>	<b><u>2016-17</u></b>	<b><u>2017-18</u></b>	<b><u>2018-19</u></b>	<b><u>5 -YEAR TOTAL</u></b>
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
<b>Annual Total</b>						
<b>REVENUES</b>	<b><u>2014-15</u></b>	<b><u>2015-16</u></b>	<b><u>2016-17</u></b>	<b><u>2017-18</u></b>	<b><u>2018-19</u></b>	<b><u>5 -YEAR TOTAL</u></b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

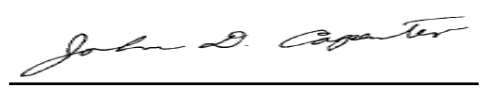
**EXPENDITURE EXPLANATION**

This bill may result in an indeterminable increase in state expenditures and/or local expenditures (Attorney General & District Attorneys) related to the enforcement of the provisions of the proposed legislation. The LFO does not know of the number of contractual agreements that would now be considered null, unenforceable and against public policy as discussed in the legislation. Thus, it would be difficult to determine the enforcement expenditures incurred by the state and/or local political subdivisions.

**REVENUE EXPLANATION**

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

- |   |                            |              |  |
|---|----------------------------|--------------|--|
| <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 State Rev. Reduc. {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} |

  
**John D. Carpenter**  
**Legislative Fiscal Officer**