



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 297** HLS 25RS 794

Bill Text Version: **REENGROSSED**

Opp. Chamb. Action: **W/ SEN FLOOR AMD**

Proposed Amd.:

Sub. Bill For.:

| | | |
|---|---------|---------------------------------|
| Date: June 9, 2025 | 3:59 PM | Author: THOMPSON |
| Dept./Agy.: Department of Culture, Recreation, and Tourism | | |
| Subject: Public Works Projects | | Analyst: Richie Anderson |

CONTRACTS

REF DECREASE SG EX See Note

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Provides for a "contract limit" for public works projects by the Department of Culture, Recreation and Tourism

Proposed law establishes a contract limit of \$1 M for public works projects by the Department of Culture, Recreation, and Tourism (CRT), an increase from \$250,000 in current law. Proposed law establishes that the Office of Facility Planning and Control shall publish a new contract limit for public works contracts in future years based on the Consumer Price Index in the proceeding year. Proposed law clarifies that projects with an aggregate cost less than the contract limit but more than \$50,000 shall be publicly bid by CRT.

Proposed law constitutes a Pilot Program and provides that CRT shall compile an annual report which includes a list of projects completed under \$1 M, amounts of each public contract issued under \$1 M, estimated cost and time savings per project, estimated additional revenue generated as a result of time saved, and any other public benefit from the new contract limit. Proposed law provides that the annual report shall be presented to the House and Senate Transportation committees until 8/01/29.

| EXPENDITURES | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 5 -YEAR TOTAL |
|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|---------------|
| State Gen. Fd. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Agy. Self-Gen. | DECREASE | DECREASE | DECREASE | DECREASE | DECREASE | |
| Ded./Other | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Federal Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Local Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Annual Total | | | | | | |

| REVENUES | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 5 -YEAR TOTAL |
|----------------|------------|------------|------------|------------|------------|---------------|
| State Gen. Fd. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Agy. Self-Gen. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Ded./Other | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Federal Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Local Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Annual Total | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

EXPENDITURE EXPLANATION

Proposed law may decrease expenditures for the Department of Culture, Recreation, and Tourism (CRT). CRT believes that proposed law will create savings on projects costing between \$250,000 and \$1 M. Currently, projects greater than \$250,000 are administered by the Office of Facility Planning and Control (FP&C) for an administrative fee of 6%. Additionally, if the project requires an engineer or architect, an additional percentage is added to the cost of the project. Currently, CRT has architects and engineers on staff to take over future projects, and will no longer need to hire contractors. Proposed law would allow for a savings of 6% or more on projects with a contract limit between \$250,000 and \$1 M.

CRT reports that they can compile and present the annual report utilizing existing budget authority.

FP&C does not anticipate any direct material effects on its expenditures as a result of this measure.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure. Since FY 23, CRT has had 17 projects with a cost between \$250,000 and \$1 M. FP&C reports that due to the low number of projects annually that would fall within the \$250,000 to \$1 M range, proposed law is not anticipated to appreciably reduce the overall number of projects that they manage.

Senate

Dual Referral Rules

House

- ☐ 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
- ☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

- ☐ 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
- ☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}



Patrice Thomas
Deputy Fiscal Officer