COMMITTEE ON LEGISLATIVE RESEARCH OVERSIGHT DIVISION

FISCAL NOTE

<u>L.R. No.</u>: 4777-01 <u>Bill No.</u>: HB 1623

<u>Subject</u>: Contracts and Contractors; Transportation; Transportation Dept.

<u>Type</u>: Original

<u>Date</u>: March 7, 2006

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND				
FUND AFFECTED	FY 2007	FY 2008	FY 2009	
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0	

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Road Fund	\$90,000	\$90,000	\$90,000
Total Estimated Net Effect on Other State Funds	\$90,000	\$90,000	\$90,000

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 3 pages.

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ESTIMATED NET EFFECT ON FEDERAL FUNDS				
FY 2007	FY 2008	FY 2009		
60	60	\$0		
		FY 2007 FY 2008		

ESTIMATED NET EFFECT ON LOCAL FUNDS				
FUND AFFECTED	FY 2007	FY 2008	FY 2009	
Local Government	\$0	\$0	\$0	

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Transportation (MoDOT)** assumes that the proposal would eliminate MoDOT's requirements to print bid books and send addenda to contractors by certified mail, which would result in annual savings of \$18,000 and \$72,000 respectively.

FISCAL IMPACT - State Government ROAD FUND	FY 2007 (10 Mo.)	FY 2008	FY 2009
Savings – Department of Transportation Other Sources (Printing of Bid Books & Addenda)	<u>\$90,000</u>	<u>\$90,000</u>	\$90,000
ESTIMATED NET EFFECT ON ROAD FUND	<u>\$90,000</u>	<u>\$90,000</u>	<u>\$90,000</u>

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FISCAL IMPACT - Local Government	FY 2007	FY 2008	FY 2009
	(10 Mo.)		
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

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

DESCRIPTION

This bill authorizes the Highways and Transportation Commission to receive bids and bid bonds electronically via the Internet for any contract for construction, maintenance, repair, or improvement of any bridge or highway in the state highway system. At its discretion, the commission may elect to receive both electronic and paper bids, or the commission may specify electronic bidding exclusively for any proposed contract. The bill establishes minimum criteria for the electronic bidding program.

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 Transportation

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Director

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