

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0178-01
Bill No.: HB 88
Subject: Roads and Highways; Transportation; Transportation Dept.
Type: Original
Date: January 23, 3007

Bill Summary: Gives the state highways and transportation commission the authority to implement electronic bidding on state highway system projects.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Road	\$90,000	\$90,000	\$90,000
Total Estimated Net Effect on <u>Other</u> State Funds	\$90,000	\$90,000	\$90,000

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Missouri Department of Transportation (DOT)** state it would cost approximately \$100,000 to implement an electronic bidding intermediary for Missouri Highway and Transportation Commission (MHTC) construction contracts, which is included in the DOT's current budget. The addition of electronic bidding capabilities would be the second phase of a pre-existing program. In addition to the implementation of this phase, the cost would also include the training of contractors.

This legislation would eliminate the DOT's requirements to print bid books and send addenda to contractors by certified mail. This would result in an annual savings of \$18,000 and \$72,000 respectively (\$90,000 total).

<u>FISCAL IMPACT - State Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
ROAD FUND			
<u>Savings - Missouri Department of Transportation</u>			
Printing of bid books and addenda	<u>\$90,000</u>	<u>\$90,000</u>	<u>\$90,000</u>
ESTIMATED NET EFFECT ON ROAD FUND	<u>\$90,000</u>	<u>\$90,000</u>	<u>\$90,000</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
	<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.

FISCAL DESCRIPTION

Under this proposal, the Missouri Highway and Transportation Commission (MHT) is authorized to receive bids and bid bonds for any contract for construction, maintenance, repair, or

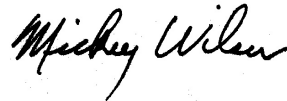
FISCAL DESCRIPTION (continued)

improvement of any bridge or highway on the state highway system electronically via the Internet. At its discretion, the MHTC may elect to receive both electronic and paper bids, or the MHTC may specify electronic bidding exclusively for any proposed contract.

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

Missouri Department of Transportation

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
January 23, 2007