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FISCAL IMPACT REPORT

ORIGINAL DATE 02/13/09
 LAST UPDATED 03/15/09 HB 546/HBICS

SPONSOR HBIC

SHORT TITLE State Contractor and Contractor Database SB _____

ANALYST Archuleta

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY08	FY09	FY10	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total		\$0.01	\$0.01	\$0.01	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Finance and Administration (DFA)

General Services Department (GSD)

SUMMARY

Synopsis of Bill

House Business and Industry Committee substitute for House Bill 546 inserts a new section to the Procurement Code requiring the Department of Finance and Administration, Department of Information Technology, Department of Transportation and General Services Department to jointly develop an online database of all state contracts have a value of more than \$20,000. The bill specifies that beginning January 1, 2010, contracts having a value of more than \$20,000 entered into pursuant to the Procurement Code will be available on the website. GSD will be responsible for coordinating the maintenance of the database with the assistance of other departments.

FISCAL IMPLICATIONS

HBIC substitute for House Bill 546 does not include an appropriation for the creation and maintenance of the website. The cost of implementing and maintaining this website is unknown.

SIGNIFICANT ISSUES

GSD previously noted the following: not all "contracts" are awarded through GSD. Included in that group are other department's professional services contracts and small purchases – especially those of the latter made by use of a procurement card (P-Card). However, it is unclear how many purchases, if any are made on procurement cards in excess of \$20,000. GSD has and

maintains no records of those purchases. Purchases by the Legislative and Judicial branches do not come through GSD and those records are not available to GSD either.

ADMINISTRATIVE IMPLICATIONS

GSD previously indicated that the collection, validation and normalization of data for disparate executive agencies as well as the legislative and judicial branches of government would be an overwhelming administrative burden.

OTHER SUBSTANTIVE ISSUES

A portion of the contract information may already be available through the SHARE financial system and will require the collaborative effort among the above mentioned agencies in order to develop.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Disclosure would need to be accomplished on a case by case basis by each respective agency.

DA/mc:svb