

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7244

BILL NUMBER: SB 315

NOTE PREPARED: Mar 29, 2005

BILL AMENDED:

SUBJECT: In-house construction.

FIRST AUTHOR: Sen. Young R

FIRST SPONSOR: Rep. Stilwell

BILL STATUS: 2nd Reading - 2nd House

FUNDS AFFECTED: **GENERAL**
 DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill increases from \$50,000 to \$75,000 the cost of projects that the Department of Natural Resources (DNR) may perform without awarding a public works contract.

Effective Date: July 1, 2005.

Explanation of State Expenditures: Currently, IC 4-13.6-5-4 limits construction projects that the DNR can complete using DNR employees to those projects that cost less than \$50,000. (IC 4-13-2-11.1 limits the Department of Correction to projects costing less than \$100,000. All other state agencies are limited to \$75,000.) This bill increases the DNR limit from \$50,000 to \$75,000. Raising the limit could increase the number and types of projects that the DNR could complete using its own workforce which could reduce DNR expenditures to the extent that the DNR would not need to contract for additional outside services. DNR's seasonal work cycle would allow staff to complete construction projects during winter months when public visitation to its properties is minimal.

The proposal would not require the DNR to complete all projects under \$75,000, but would provide the DNR with the option to do so. The table below outlines DNR project costs that were bid for 2001 through 2003. DNR projects could be funded with either state General Fund or dedicated fund revenue.

PROJECTS BID BY DNR						
	LESS THAN \$50,000		\$50,000-\$75,000		GREATER THAN \$75,000	
	Number	Dollars	Number	Dollars	Number	Dollars
2001	61	\$902,279 (4% of total)	8	\$534,326 (2%)	38	\$23,169,810 (94%)
2002	83	\$1,050,852 (6% of total)	10	\$652,778 (3%)	40	\$17,224,920 (91%)
2003	88	\$1,465,330 (10% of total)	11	\$644,328 (4%)	35	\$12,731,280 (86%)
Total	232	\$3,418,461 (6% of total)	29	\$1,831,432 (3%)	113	\$53,126,010 (91%)

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: DNR

Local Agencies Affected:

Information Sources: DNR

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