

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 6470**  
**BILL NUMBER:** SB 190

**NOTE PREPARED:** Dec 7, 2005  
**BILL AMENDED:**

**SUBJECT:** State Employee Layoffs; Professional Services Contract.

**FIRST AUTHOR:** Sen. Young R  
**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**  **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** State

**Summary of Legislation:** This bill requires the Department of Administration to prepare and make public the list of professional services contracts entered into by the state every six months instead of annually. It expands the list to include contracts procured by the Department of Administration.

The bill requires the Personnel Department to make reports every six months of all state employees who are laid off.

**Effective Date:** July 1, 2006.

**Explanation of State Expenditures:** The change in reporting of professional services contracts from annually to every six months and including contracts procured by the Department of Administration could increase the cost of the report. The increase would probably be minor.

The bill would require the Personnel Department to generate a report every six months of state employees who are laid off. The report would contain:

1. The salary of each employee who was laid off.
2. The reason for the layoff.
3. If the functions the employee was performing are now being performed under a professional services contract with an individual who is not a state employee or with an entity for management of the function that the employee performed, then the cost of the contract, including specific salaries.
4. If the functions are being performed under a management contract, the total cost of the contract.

The Department of Personnel and individual agencies would incur some expenses in generating the report, but the additional cost would probably be minor. Since January 1, 2004, 411 state employees have been laid off, with annual salaries of about \$11.7 M.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Department of Administration, Department of Personnel, and all other state agencies.

**Local Agencies Affected:**

**Information Sources:** Department of Personnel Database.

**Fiscal Analyst:** Chuck Mayfield, 317-232-4825.