

**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 6581**

**BILL NUMBER: SB 375**

**NOTE PREPARED:** Dec 14, 2005

**BILL AMENDED:**

**SUBJECT:** Public Works Projects.

**FIRST AUTHOR:** Sen. Mishler

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

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

**IMPACT:** Local

**Summary of Legislation:** This bill authorizes a political subdivision to perform a public works project by means of its own workforce, without awarding a contract, when the cost of the project is less than \$500,000. (The threshold under current law is \$100,000.)

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

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** The bill could reduce expenditures for local public works projects. It is unknown the number or value of local public works projects between \$100,000 and \$500,000.

*Background Information:* The state is not subject to the changes in the bill, but data on public works projects might indicate the magnitude of the bill. As of July 18, 2005, the state had 143 active projects valued at about \$115.2 M. Projects of between \$100,000 and \$500,000 made up about 46% of the projects, but only 13.9% of the total project costs.

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:** Local units.

**Information Sources:** Department of Administration, Public Works Division.

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