

OFFICE OF FISCAL ANALYSIS

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sSB-473

AN ACT CONCERNING THE STATE CONTRACTING STANDARDS BOARD.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 23 \$	FY 24 \$
Governmental Accountability, Off.	GF - Appropriation	467,055	467,055
State Comptroller - Fringe Benefits ¹	GF - Cost	189,297	189,297
Various State Agencies	Various - Potential Cost	See Below	See Below

Note: GF=General Fund; Various=Various

Municipal Impact: None

Explanation

This bill appropriates \$467,055 in FY 23 to hire five new positions within the State Contracting Standards Board (SCSB). sHB 5037, the revised FY 23 budget bill, as favorably reported by the Appropriations Committee, appropriates \$454,355 for said purpose. The difference (\$12,700) does not result in a material impact on the budgetary spending cap calculation (i.e., it would still be under the spending cap by \$4.6 million).

This bill will result in an annualized cost of \$467,055 to the Office of Governmental Accountability for salaries and \$189,297 to the Office of

¹The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes is 40.53% of payroll in FY 23.

the State Comptroller for associated fringe benefits.

Under this bill, the Office of Policy and Management (OPM) will be required to include estimated expenditure requirements from SCSB in proposed budget documents and the governor will be prohibited from reducing SCSB's allotment requisitions or allotments in force. This is not anticipated to result in a fiscal impact.

This bill also subjects quasi-public agencies: 1) to full oversight by SCSB with limited exceptions, and 2) privatization law. Provided SCSB fills its Chief Procurement Officer position with the appropriated funds in this bill, this will not result in any additional fiscal impact to the state.

Privatization laws are also expanded under this bill to include an analysis of a proposed contract's potential impact on workers of color or workers who are women. Various state agencies may incur a cost to the extent they require additional staff to conduct this analysis.

This bill makes other various changes to SCSB authority which is not anticipated to result in a fiscal impact.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.