

The provisions of this bill repeals the Privatization Policy Board which will reduce appropriations by \$3,500 from the General Fund. The bill establishes a Private Enterprise Review Commission which will require an appropriation of \$3,500 from the General Fund for the Commission and additional staff support from the Division of Purchasing estimated to cost \$25,000 from the General Fund. Provisions of the bill require one senator and one representative to act as members of the commission. This is estimated to cost \$3,000 from the General Fund.

Initially, there may be increased costs for the preparation of impact statements by various State Agencies and Institutions of Higher Education. This is estimated to cost an additional \$25,000 General Fund. Local government will also be required to prepare impact statements. Costs could be as much as \$5,000 per statement.

There are other costs that cannot be quantified but may have a significant fiscal impact in subsequent years. The provisions of this bill may impact the State by limiting Departments, Agencies, Institutions of Higher Education and local government from generating revenue currently used to offset operating expenses, fund bonded indebtedness, and to augment budgets.

There may be some cost savings to State and local governments in subsequent years. This will depend on the number and types of activities that are outsourced. It cannot be determined whether there will actually be a net savings or a net cost. The impact cannot be quantified at this time.

	<u>FY 99 Approp.</u>	<u>FY 00 Approp.</u>	<u>FY 99 Revenue</u>	<u>FY 00 Revenue</u>
General Fund	\$53,000	\$78,000	\$0	\$0
TOTAL	<u><u>\$53,000</u></u>	<u><u>\$78,000</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>