

State Impact

Measurable costs to the state include seven FTEs (step 47-64) for the Division of Purchasing, Department of Transportation (UDOT), and Division of Facilities Construction and Management (DFCM) to monitor contracts and enforce requirements of this bill.

Studies done by the Division of Purchasing, UDOT and DFCM estimate the requirement to accept the second lowest bid would increase costs (or decrease purchasing) by \$77 million annually. Higher Education and Public Education may also see cost increases.

There may be cost offsets through lowered dependence on government programs such as public health care and food stamps.

	<u>FY 2006</u> <u>Approp.</u>	<u>FY 2007</u> <u>Approp.</u>	<u>FY 2006</u> <u>Revenue</u>	<u>FY 2007</u> <u>Revenue</u>
General Fund	\$297,600	\$297,600	\$0	\$0
TransportationFund	\$124,000	\$124,000	\$0	\$0
Restricted Funds	\$12,400	\$12,400	\$0	\$0
TOTAL	<u>\$434,000</u>	<u>\$434,000</u>	<u>\$0</u>	<u>\$0</u>

Individual and Business Impact

This will initially increase costs for employers who do not offer health coverage or strict overtime but do business with the state. These employers may begin to see savings in future years as turnover slows and preventive health care saves lost days.

Individuals in low wage jobs will benefit from more overtime and lower costs for health care coverage.

Hospitals may see lower costs from lower "write-off" expenses since newly covered employees will be able to make regular doctor visits rather than using expensive emergency rooms as primary care facilities.

Producers of Utah Products may benefit from a preference on contractors using their products.