

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 231** HLS 16RS 417

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: March 21, 2016 8:34 AM	Author: SMITH, P.
Dept./Agy.: Division of Administration (DOA)	Analyst: Alan M. Boxberger
Subject: Ban the Box for State Contracts Act	

PUBLIC CONTRACTS

OR NO IMPACT See Note

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Creates the "Ban the Box for State Contracts Act" which prohibits certain contractors from inquiring about a job applicant's criminal history on a job application

Proposed law creates the "Ban the Box for State Contracts Act" which prohibits state contractors from inquiring about a job applicant's criminal history on a job application if state or federal law does not require a criminal background check. Proposed law permits the contractor to inquire about an applicant's criminal history in personal interviews conducted subsequent to completion of the job application after a conditional offer of employment has been offered. Proposed law requires that any contract, cooperative endeavor agreement (CEA) or procurement agreement contain a sworn affidavit by the contractor indicating a pledge to not inquire about a job applicant's criminal history unless required by law. Proposed law requires the state chief procurement officer to determine all requirements have been met prior to approving certain proposed contracts, to notify all using agencies of requirements, and to adopt rules as necessary. Proposed law allows political subdivisions to adopt all or part of proposed law. Proposed law applies to procurements, CEAs and public contracts governed by the LA Procurement Code and to new procurements of public contracts and to any public contracts modified after 8/1/16.

EXPENDITURES	2016-17	2017-18	2018-19	2019-20	2020-21	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2016-17	2017-18	2018-19	2019-20	2020-21	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. Proposed law may impact contractors doing business with the state, providing that as a condition of being a contractor with the state the contractor is prohibited from inquiring about a job applicant's criminal history in certain instances and further requires that the contractor shall submit a sworn affidavit indicating the contractor's pledge to not inquire about a job applicant's criminal history unless required by law.

Proposed law will require the both the Office of State Procurement and Office of Facility Planning and Control within the Division of Administration, to notify state agencies of the requirements contained in proposed law, and to draft and adopt rules and regulations as necessary to such effect. There is no anticipated direct material effect on DOA expenditures, as the update to contract templates, notifications and rule-making process can be absorbed by existing staff and financial resources.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate Dual Referral Rules House

13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux

Evan Brasseaux
Staff Director