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### FISCAL IMPACT REPORT

SPONSOR:	Martinez	DATE TYPED:	02/04/00	HB	HJM 51
SHORT TITLE:	Privatization of Services Study			SB	
				ANALYST:	Carrillo

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY00	FY01	FY00	FY01		

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to HB40 and SJM3

### SOURCES OF INFORMATION

LFC Files

## **SUMMARY**

### Synopsis of Bill

House Joint Memorial 51 requests that the Legislative Finance Committee study and report recommendations on proposed privatization of state services and functions. The study and report shall include:

- •a cost-benefit analysis of existing state services and functions that are privatized;
- •the effect of privatization on existing infrastructure;
- •the effect of privatization on employment opportunities;
- •the effect of privatization on state liability issues; and
- •guidelines on who shall make public policy and conduct planning related to privatization of state services and functions.

HJM 51 includes a resolution asking that state agency secretaries, and other parties as needed, be cooperative with the Legislative Finance Committee's review of privatization and make any and all information available.

The Legislative Finance Committee is to report its findings and recommendations to the Legislative Council Service no later than December 15, 2000.

## **CONFLICT/DUPLICATION/COMPANIONSHIP/RELATIONSHIP**

HJM 51 relates to House Bill 40 (Review Professional Service Contracts) and SJM 3 (Study State's Purchasing process).

WC/sb