



# 130th MAINE LEGISLATURE

LD 875

LR 601(01)

**An Act To Protect Taxpayers in the Privatization of Services and To Establish the State Procurement Review Committee**

**Preliminary Fiscal Impact Statement for Original Bill**

**Sponsor: Sen. Baldacci of Penobscot**

**Committee: State and Local Government**

**Fiscal Note Required: Yes**

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## Preliminary Fiscal Impact Statement

Minor cost increase - General Fund

### Fiscal Detail and Notes

This bill sets new requirements for state departments and agencies seeking to enter into a contract to privatize a state service, including that an agency calculate the minimum wage it pays employees currently providing the service, the percentage of health insurance coverage provided for these employees and the cost to the agency to provide the service being privatized. Documentation of these calculations must be submitted to the Attorney General, who may review the materials and intervene in the contracting process. The bill also establishes a State Procurement Review Committee that has oversight over contracts, amendments, renewals and requests for proposal valued over \$1,000,000. Costs to state departments and agencies as a result of the changes referenced above are expected to be minor and can be absorbed within existing budgeted resources.