OFFICE OF FISCAL ANALYSIS

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sSB-432

AN ACT CONCERNING STATE CONTRACTS WITH NONPROFIT HUMAN SERVICES PROVIDERS.

As Amended by Senate "A" (LCO 5531), House "A" (LCO 6135)

House Calendar No.: 489 Senate Calendar No.: 259

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 25 \$	FY 26 \$
Policy & Mgmt., Off.	GF - Cost	Potential	Potential

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill requires the Office of Policy and Management (OPM) to (1) conduct a review of any reports that nonprofit human services providers are required to file with state agencies and (2) submit a report on this review once every three years beginning February 1, 2025. This results in a potential cost to OPM to the extent that they require additional resources to meet the requirements of this bill.

The bill also requires private provider organizations to receive payment within 45 days after the receipt of a claim, or receipt of services, whichever is later. This is not anticipated to result in a fiscal impact to the state.

Senate "A" alters the original bill by moving out the date of one of the reports required by OPM, reduces the number of contracts OPM must review each year, removes various other requirements, and requiring private providers to receive payment within 45 days of a claim.

Primary Analyst: LG
Contributing Analyst(s):

Reviewer: RW

House "A" eliminated a provision that required OPM to review state purchase service contracts with nonprofit human service providers and provide a report.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

The preceding Fiscal Impact statement is prepared for the benefit of the members of the General Assembly, solely for the purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.