

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6913
BILL NUMBER: SB 206

DATE PREPARED: Feb 1, 1999
BILL AMENDED: Feb 1, 1999

SUBJECT: Locate state government offices in downtown areas.

FISCAL ANALYST: Beverly Holloway
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FUNDS AFFECTED: GENERAL
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: (Amended) This bill provides that the Indiana Department of Administration (DOA) shall adopt rules to encourage state agencies to locate leased and state constructed facilities in downtown areas. The adopted rules do not apply to the Indiana Department of Correction facilities. The rules adopted by the DOA shall focus on the following: (1) Local economic considerations. (2) The requirements of the agency. (3) Servicing client needs. (4) The availability of suitable space. (5) Competitiveness in the market place.

The rules adopted by the Department are required to give primary consideration to the restoration, or reuse, or both of existing structures within a downtown area. Additionally, the adopted rules are required to give secondary consideration to state construction of facilities within a downtown area if the restoration or reuse of existing structures within a downtown area is not determined to be a reasonable alternative by the Department.

The DOA is required to adopt rules to implement these provisions not later than January 1, 2001.

Not later than July 1 of a year, the DOA shall report to the General Assembly concerning the implementation of these provisions. The DOA is required to submit the Department's first report to the General Assembly not later than July 1, 2002.

Effective Date: July 1, 1999.

Explanation of State Expenditures: (Revised) This bill requires the Indiana Department of Administration to adopt rules to encourage state agencies to locate leased and state constructed facilities in downtown areas. The adopted rules do not apply to the Indiana Department of Correction facilities. The rules adopted by the DOA are to include a number of items as listed in the "Summary of Legislation." The adoption of the rules can be done within the existing budget and does not require an additional state General Fund appropriation.

The current policy of the DOA is to evaluate the office space requested by a state agency and to determine if space owned by the State is available for the request or if the requesting state agency can be consolidated into a building currently occupied by another state agency. The DOA reports that 48% of state agency sites are located in downtown areas. It is estimated that approximately 38% of all Bureau of Motor Vehicle offices are located in downtown areas.

The reports required by this bill to the General Assembly can also be done within the existing budget of the DOA.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of Administration; State agency requesting office space.

Local Agencies Affected:

Information Sources: Jay McQueen, Department of Administration, (317) 232-7636.