

AMENDED NOTE

State Impact

Provisions of this bill could increase construction costs for State government up to 0.5 percent. This could be up to \$5,000 per \$1 million spent on construction. Assuming the five year average of \$113.7 million, the increase could total \$587,000 - about one-third of that will be from General Fund/ Uniform School Fund. Impacts will likely be absorbed by state construction budgets - potentially reducing funds available for projects.

This potential increase in costs would also apply to local governments, public education, non-state funded higher education projects and the private sector. The State may also incur some additional litigation expenses that will be absorbed in DFCM construction budgets.

Individual and Business Impact

The fiscal impact on contractors and subcontractors could be an increase in revenue.

Office of the Legislative Fiscal Analyst