

**63G-10-402 Department of Transportation construction contract claim settlement agreement approval and review.**

- (1) As used in this section:
  - (a) "Claims review board" means a committee established by the department to hear unresolved claims and make recommendations for settlement to the deputy director of the department.
  - (b) "Department" means the Department of Transportation created in Section 72-1-201.
  - (c) "Settlement agreement" includes stipulations, consent decrees, settlement agreements, or other legally binding documents or representations resolving a dispute between the department and another party when the department is required to pay money or required to take legally binding action.
- (2) The department shall obtain the approval of the Transportation Commission or the governor or review by the Legislative Management Committee of a settlement agreement that involves a construction contract claim in accordance with this section.
- (3) A construction contract claim settlement agreement that is being recommended by the department's claims review board that might cost government entities more than \$100,000 to implement shall be presented to the Transportation Commission for approval or rejection.
- (4) A construction contract claim settlement agreement that is being recommended by the department's claims review board that might cost government entities more than \$500,000 to implement shall be presented:
  - (a) to the Transportation Commission for approval or rejection; and
  - (b) to the governor for approval or rejection.
- (5)
  - (a) A construction contract claim settlement agreement that is being recommended by the department's claims review board that might cost government entities more than \$1,000,000 to implement shall be presented:
    - (i) to the Transportation Commission for approval or rejection;
    - (ii) to the governor for approval or rejection; and
    - (iii) if the construction contract claim settlement agreement is approved by the Transportation Commission and the governor, to the Legislative Management Committee.
  - (b) The Legislative Management Committee may recommend approval or rejection of the construction contract claim settlement agreement.
- (6)
  - (a) The department may not enter into a construction contract claim settlement agreement that is being recommended by the department's claims review board that might cost government entities more than \$100,000 to implement until the Transportation Commission has approved the agreement.
  - (b) The department may not enter into a construction contract claim settlement agreement that is being recommended by the department's claims review board that might cost government entities more than \$500,000 to implement until the Transportation Commission and the governor have approved the agreement.
  - (c) The department may not enter into a construction contract claim settlement agreement that is being recommended by the department's claims review board that might cost government entities more than \$1,000,000 to implement until:
    - (i) the Transportation Commission has approved the agreement;
    - (ii) the governor has approved the agreement; and
    - (iii) the Legislative Management Committee has reviewed the agreement.

Enacted by Chapter 361, 2011 General Session

