Fiscal Note Bill Number HB0115

DFCM Contract Claim Resolution Process

06-Feb-03 10:39 AM

State Impact

This bill requires DFCM to draft rules that settle disputes between contractors and subcontractors. Prior to enacting these rules, they must be presented for review and recommendation by the Government Operations Interim Committee.

If these rules are enacted, the Attorney General's Office will require additional staff (2 FTE) to work on dispute resolution. This cost will be charged to DFCM and will likely exceed \$125,000. It will appear as dedicated credit revenue in the AG line item following the transfer. DFCM will see increased workload from the resolution process and will need two additional employees to manage the new charge. Salary and benefits for those employees will total \$142,500. The cost of DFCM claim payments, while potentially significant, cannot be estimated at this time.

Individual and Business Impact

No fiscal impact.

Office of the Legislative Fiscal Analyst