



Colorado Legislative Council Staff Fiscal Note
NO FISCAL IMPACT

Drafting Number: LLS 11-0658

Date: February 7, 2011

Prime Sponsor(s): Rep. Labuda
Sen. Tochtrop

Bill Status: House Economic and Business Development
Fiscal Analyst: Kerry White (303-866-3469)

TITLE: CONCERNING A REQUIREMENT THAT A PUBLIC ENTITY HAVE APPROPRIATIONS AVAILABLE TO IT PRIOR TO THE PERFORMANCE OF ANY WORK CONDUCTED BY A CONTRACTOR PURSUANT TO A CHANGE ORDER.

Summary of Legislation

This bill requires contracts for public works projects to include a clause stating that appropriations must be available to the public entity prior to beginning any work under a change order. The bill takes effect August 10, 2011, if the General Assembly adjourns on May 11, 2011, as scheduled, and no referendum petition is filed and applies to contracts entered into on or after January 1, 2012.

Assessment

This bill is assessed as having no fiscal impact. In current practice, state agencies are already required to have sufficient funding in place prior to issuing a contract change order. As each public works contract is uniquely developed, including the required language into the initial contract does not alter the workload of any public entity. For the majority of state projects, it is the practice of state agencies to use a standardized form for all change orders. Modifying this template to include the required language of this bill does not increase the workload or create costs for any state agency.

Departments Contacted

All Departments