



**Legislative Council Staff**  
*Nonpartisan Services for Colorado's Legislature*

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# Fiscal Note

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**Drafting Number:** LLS 22-0076  
**Prime Sponsors:** Sen. Scott

**Date:** February 7, 2022  
**Bill Status:** Senate SVMA  
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**Bill Topic:** **CDOT DISPUTE REVIEW BOARD PROCESS**

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**Summary of Fiscal Impact:**

- State Revenue
- State Expenditure
- State Transfer
- TABOR Refund
- Local Government
- Statutory Public Entity

The bill requires the Department of Transportation to hire a private contractor to review the dispute review board process used to resolve contractual disputes between the department and contractors. The bill increases state expenditures in FY 2022-23 only.

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**Appropriation Summary:**

No appropriation is required as the State Highway Fund is continuously appropriated to the Department of Transportation.

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**Fiscal Note Status:**

The fiscal note reflects the introduced bill.

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**Table 1**  
**State Fiscal Impacts Under SB 22-048**

		<b>Budget Year FY 2022-23</b>	<b>Out Year FY 2023-24</b>
<b>Revenue</b>		-	-
<b>Expenditures</b>	State Highway Fund	\$170,000	-
<b>Transfers</b>		-	-
<b>Other Budget Impacts</b>		-	-

## Summary of Legislation

This bill requires the Colorado Department of Transportation (CDOT) to contract with a private sector expert to review the dispute review board stage of the process used to resolve contractual disputes between CDOT and contractors. By December 15, 2022, the contractor must provide CDOT with a report that includes results from the review as well as recommendations for best practices and improvements. CDOT and the contractor must present the report in the department's SMART Act presentation. CDOT is also required to convene a committee of a contractor, department staff, and legislative members to oversee the work.

## State Expenditures

The bill increases state cash fund expenditures in CDOT by \$170,000 in FY 2022-23 from the State Highway Fund. Expenditures are shown in Table 2 and detailed below.

**Table 2**  
**Expenditures Under SB 22-048**

	FY 2022-23	FY 2023-24
<b>Department of Transportation</b>		
Contract Drafting and Execution	\$25,000	-
Contract Administration	\$15,000	-
Contract Consultant Costs	\$130,000	-
<b>Total Cost</b>	<b>\$170,000</b>	<b>-</b>

**Contracting costs.** In FY 2022-23 only, this bill increases expenditures in CDOT by \$170,000 to contract with a private sector expert to review and report on the dispute review board stage of the department's contract dispute process. These costs include creation and execution of the contract, administering the contract, and costs paid to the contractor to complete the review and report. Additionally, this bill requires CDOT to convene a committee to oversee the contractor while they conduct the review and write their report. This work can be accomplished within existing appropriations.

## Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

## State and Local Government Contacts

Information Technology  
Office of Legislative Legal Services

Law  
Transportation

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