

Fiscal Estimate - 2019 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 19-3025/1	Introduction Number AB-0285
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Description
 bidding procedures for highway improvements

Fiscal Effect

State:

No State Fiscal Effect
 Indeterminate

<input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations	<input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues	<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs
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Local:

<input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate	1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory
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5. Types of Local Government Units Affected

<input type="checkbox"/> Towns	<input type="checkbox"/> Village	<input type="checkbox"/> Cities
<input type="checkbox"/> Counties	<input type="checkbox"/> Others	
<input type="checkbox"/> School Districts	<input type="checkbox"/> WTCS Districts	

Fund Sources Affected	Affected Ch. 20 Appropriations
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	

Agency/Prepared By LFB/ John WilsonTepeli (608) 266-3847	Authorized Signature Bob Lang (608) 266-3847	Date 6/10/2019
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Fiscal Estimate Narratives

LFB 6/10/2019

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Assumptions Used in Arriving at Fiscal Estimate

AB 285 would specify that if DOT receives only one bid for a contract from a competent bidder and the bid exceeds 110% of the estimated reasonable value of the work under the contract, as determined by DOT, the Department would be required to reject the bid and re-advertise for bids in a manner likely to increase the number of bidders. Specify that if DOT determines that re-advertising the contract for bids would adversely affect public safety or the project's construction timelines, DOT may award the contract to the sole bidder, if upon request, the Joint Committee on Finance approves the award. Specify that these provisions would first apply to advertised contracts on the effective date of the bill.

The bill would not affect revenue or state appropriations. To the extent that the provisions would increase bid competition on certain state highway projects, the costs of such projects could be reduced. Conversely, if these provisions require additional bid announcements and lets, or require the Joint Finance Committee to meet and approve a single bid, a project's construction timeline and staging could be adversely affected, and costs could be increased.

Long-Range Fiscal Implications