

**LOCAL
FISCAL IMPACT**

Drafting Number: LLS 14-0332 **Date:** February 7, 2014
Prime Sponsor(s): Rep. Kraft-Tharp; Gerou **Bill Status:** House Transportation and Energy
 Sen. Jahn **Fiscal Analyst:** Kristen Koehler (303-866-4918)

SHORT TITLE: COUNTY HIGHWAY CONTRACT BID NOTICE REQUIREMENTS

Fiscal Impact Summary	FY 2014-2015	FY 2015-2016
State Revenue		
State Expenditures		
FTE Position Change		
Appropriation Required: None.		

Summary of Legislation

Current law requires a board of county commissioners (board) to hold a competitive bid process for county highway projects expected to cost \$5,000 or more, and requires the board to advertise the project in a newspaper in the county or post notice in the county courthouse.

This bill sets a new threshold under which a county highway project must be advertised for competitive bids. The existing \$5,000 threshold is replaced by the amount at which a contract requires a contractor's bond under law, which is currently \$50,000.

Local Government Impact

The bill is anticipated to reduce advertising expenses to counties for highway projects that cost \$50,000 or less. Advertising costs vary between publications; however, in general, legal advertisements for bids average \$21 per advertisement, and construction industry publications average \$270 per advertisement.

The bill is expected to reduce administrative costs and personnel time required to undergo a competitive bid process and may result in faster completion of highway projects.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Local Affairs
Counties

Personnel and Administration

Transportation