



LEGISLATIVE FISCAL OFFICE  
Fiscal Note

Fiscal Note On: **SB 166** SLS 25RS 239

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> April 29, 2025	2:08 PM	<b>Author:</b> WOMACK
<b>Dept./Agy.:</b> DOTD/DOA - FP&C		
<b>Subject:</b> Public Private Contract Protocol Requirements		<b>Analyst:</b> Kimberly Fruge

CONTRACTS

OR +\$1,309,500 GF EX See Note

Provides relative to contract requirements for public works. (7/1/25)

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Proposed law provides for public private contract protocol requirements; requires a preconstruction meeting the local governmental entity, the contractor, the appropriate state entity, and the design professional of record to establish clear expectations of deliverables, deadlines, accountability, standards, payment schedules, and expedited grievances; provides that the Division of Administration and the Department of Transportation and Development shall develop and maintain software for utilization by local governmental entities and contractors that receive state funding by January 1, 2026; provides for training for elected officials and employees of a municipality whose job duties include managing, tracking, or compliance of a Cooperative Endeavor Agreement (CEA).

EXPENDITURES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	\$1,309,500	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	\$1,309,500
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$1,309,500					\$1,309,500

REVENUES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Proposed law will result in a significant increase in SGF expenditures in FY 26 to develop and maintain software for utilization by local governmental entities and contractors that receive state funding. The Office of Technology Services (OTS) estimates a cost of approximately \$1,298,700 in FY 26 to modify DOTDs existing contract monitoring systems and develop an application for DOTD and the Division of Administration - Office of Facility Planning and Control (FP&C) to automatically track payment processing from the state to local government agencies to contracted vendors. This cost is based on the number of hours for the development team: 2,340 hours at \$175 per hour for a project manager (\$409,500); 2,340 hours at \$150 per hour for a senior developer (\$351,000); and 2,340 hours at \$115 per hour for two junior develops (\$538,200). In addition, OTS estimates a yearly infrastructure cost to cover testing and production environments of \$10,800.

Proposed law will result in an increase in workload for DOTD and FP&C to have a preconstruction meeting between the local government entity, the contractor, the appropriate state entity, and the design professional of record. FP&C indicates these meetings would require additional time and travel. The agency anticipates being able to absorb the additional costs associated with the meeting into its existing operating budget. To the extent the number of projects and/or meetings required increases beyond what is currently anticipated, there may be an increase in expenditures for both DOTD and FP&C. Any such increase is indeterminable at this time.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

House

- ☒ 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
- ☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}
- ☒ 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
- ☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Patrice Thomas  
Deputy Fiscal Officer