



Telephone 373-8080
Fax 373-5874

HOUSE FISCAL AGENCY

124 N. Capitol Avenue
4 – North, HOB Lansing, MI

HB4505 AS REPORTED WITHOUT AMENDMENT

Sponsor
Committee

Rep. Jud Gilbert
REGULATORY REFORM

Analyst(s) Schneider, Bob

Completed 5/15/01

State Fiscal Impact

Cost None
Revenues None

Local Fiscal Impact

Cost Indeterminate
Revenues None

The bill would repeal the December 31, 2001 sunset provision of 1998 PA 57. The act currently provides for the automatic incorporation of a differing site condition clause into all contracts between a contractor and a governmental entity for improvements exceeding \$75,000. The bill would have no fiscal impact on the state since the state already incorporates such a clause in relevant contracts as standard procedure. The bill would have an indeterminate impact on contracting costs for local units of government. The actual impact would depend on the degree to which such clauses affect eventual low-bid contract costs and potential litigation costs.