



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE STATEMENT OF ESTIMATED FISCAL IMPACT

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Bill Number: H. 3560 Introduced on January 14, 2025
Subject: Department of Transportation
Requestor: House Education and Public Works
RFA Analyst(s): Wren
Impact Date: February 5, 2025

Fiscal Impact Summary

This bill allows the Department of Transportation (DOT) to develop and implement a process to award contracts using the Phase Design-Build project delivery method for certain contracts. The bill defines Phase Design-Build as a project delivery method that uses a stepped, or progressive qualifications-based selection process, followed by a progression to a contract price.

This bill will have no expenditure impact on DOT as any expenses to develop and implement the Phase Design-Build guidelines can be managed with existing appropriations.

Explanation of Fiscal Impact

Introduced on January 14, 2025

State Expenditure

This bill allows DOT to develop and implement a process to award contracts using the Phase Design-Build project delivery method. The bill defines Phase Design-Build as a project delivery method that uses a stepped or progressive qualifications-based selection process, followed by a progression to a contract price. The bill also specifies how the Phase Design-Build team must be selected. Further, DOT may only award a contract using the Phase Design-Build method if the department:

- determines the project cost is less than \$500,000,000;
- determines that it is in the public’s interest to use the method; and
- prequalifies the prime contractor and lead designer firm that will be awarded the contract.

DOT indicates that this bill will have no expenditure impact on the agency as any expenses to develop and implement the Phase Design-Build guidelines can be managed with existing appropriations.

State Revenue

N/A

Local Expenditure and Local Revenue

N/A

Frank A. Rainwater, Executive Director