153rd GENERAL ASSEMBLY
FISCAL NOTE

BILL:	**HOUSE BILL NO. 89**
SPONSOR:	**Representative Morrison**
DESCRIPTION:	**AN ACT TO AMEND TITLES 19 AND 29 RELATING TO HOME IMPROVEMENT DISPUTE RESOLUTION.**

Assumptions:

1. This Act becomes effective upon signature by the Governor.
2. This Act establishes a Home Improvement Dispute Resolution Process administered by the Division of Consumer Protection within the Department of Justice (DOJ). Further, this Act would allow a person who purchases home improvement services or materials from a contractor to initiate a dispute resolution process with the assistance of the DOJ and mandate the contractor's participation.
3. The DOJ estimates that managing the dispute resolution process would require additional personnel and operational costs to track intake cases, manage disputes and the mediation process, and undertake any other legal measures to address the complaint as necessary. The recurring Fiscal Year 2026 costs are estimated at $299,388, and Fiscal Year 2026 one-time costs are estimated at $20,010 and are as follows:
    a. Recurring Costs – $290,388 in Fiscal Year 2026 personnel costs, including OECs (at a rate of 33.34%), for 2.0 FTE, Legal Assistant III; and 1.0 FTE, Deputy Attorney General V.
        1. $9,000 is estimated as a recurring cost for annual maintenance support and licensing needs related to a dispute and mediation process case management system.
    b. One-Time Costs – $20,010 for computers, office furniture, and other supply startup costs for the new positions.
4. Lastly, the Fiscal Year 2026 personnel costs have been estimated for nine months of funding, with the annualization of the remaining three months incorporated into the subsequent year estimates. Additionally, a 2% inflation cost has been included for projected increases in salary and OECs.

Cost:

	One-Time	Operating/Recurring
Fiscal Year 2026:	$20,010	$299,388
Fiscal Year 2027:		$403,928
Fiscal Year 2028:		$411,827

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Office of the Controller General