

RULE IMPACT STATEMENT

Pursuant to the Administrative Procedures Act, Section 303(D) of Title 75 of the Oklahoma Statutes, the Oklahoma Department of Transportation (“ODOT”) hereby submits the following Rule Impact Statement for the amendment of PERMANENT rules contained in **OAC Title 730:25-7-2. Settlement of Disputes Arising During Performance of Construction or Maintenance Contracts; Mediation and Binding Arbitration.**

Brief Description of the Purpose of the Proposed Rules:

The proposed amendments to this chapter allow for more levels of involvement in the claims process. More levels of involvement offer more opportunities to settle disputes and avoid possible arbitration and legal action.

Description of the classes of persons who most likely will bear the costs of the proposed rule and any information on cost impacts received by the Agency from any private or public entities:

By offering more opportunities to settle disputes, both ODOT and highway construction and maintenance contractors will have reduced costs for legal action. No classes or persons will bear any cost for the proposed rule.

Description of the classes of persons who will benefit from the proposed rule:

The agency (ODOT) and highway construction and maintenance contractors will benefit from the proposed rule.

Description of the probable economic impact of the proposed rule upon affected classes of persons or political subdivisions, including a listing for all fee changes and, whenever possible, separate justification for each fee change:

Because of the lower costs for ODOT and contractors, the proposed rule will have a positive economic impact. The proposed rule will not affect any political subdivisions and will not contain any fee changes.

A determination of whether implementation of the proposed rule will have an economic impact on any political subdivision or require their cooperation in implementing or enforcing the rule:

A determination was made that the proposed rule will not affect any political subdivision or require any cooperation by them.

A determination of whether implementation of the proposed rule may have an adverse economic effect on small businesses as provided by the Oklahoma Small Business Regulatory Flexibility Act:

A determination was made that the proposed rule will not have an adverse economic effect on small businesses as provided by the Oklahoma Small Business Regulatory Flexibility Act.

A determination of the effect of the proposed rule on the public health, safety, and environment and, if the proposed rule is designed to reduce significant risks to the public health, safety, and environment, an explanation of the nature of the risk and to what extent the proposed rule will reduce the risk:

A determination was made that the proposed rule will improve collaboration within the claims process between ODOT and contractors. It will positively affect public health, safety, and/or the environment by using less tax dollars to fund legal costs, thereby making those tax dollars available for other use.

A determination of any detrimental effect on public health, safety, and the environment if the proposed rules are not implemented:

A determination was made that the proposed rule will have no detrimental effect on public health, safety, and the environment.

Date the rule impact statement was prepared and the date modified:

Prepared: November 1, 2024

Modified: N/A

Prepared by:

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