

HOUSE BILL 1048

- Current law requires contractors to pay back in full the amount of money disallowed by the Federal government.
- This amendment would limit their liability no more than their fee.
- Example: 10% contract and their total federal dollars brought in is \$1 million. Their fee would be \$100,000. Under current law if \$250,000 were disallowed they would have to pay the entire \$250,000. This amendment limits their potential liability to \$100,000.
- Because of the liability under current law we are having problems getting folks to enter into these contracts with us.