LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 8, 2003

TO: Honorable Frank Madla, Chair, Senate Committee on Intergovernmental Relations

FROM: John Keel, Director, Legislative Budget Board

IN RE: **HB1061** by Griggs (Relating to municipal officer and employee participation in state travel services contracts.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would allow the Building and Procurement Commission to impose a fee to municipalities for the use of state travel services. The fee would be deposited into a newly established GR account - Municipality Airline Fares. Funds in the account could be appropriated only for operating the travel program. Currently, the Building and Procurement Commission generates approximately $40,000 per year in participation fees (based on county population) to 28 counties throughout the state. The additional fees would be nominal and not present a significant fiscal impact to the state.

Because the legislation would create a dedicated account in the General Revenue Fund, the account included in this bill would be subject to funds consolidation review by the current legislature.

Local Government Impact

No significant fiscal implication to units of local government is anticipated. Municipalities may see a reduction in travel costs as a result of their participation in the air and travel agency contracts. Each municipality's cost savings would depend on the amount of business travel the municipality conducts.

Source Agencies: 303 Building and Procurement Commission, 304 Comptroller of Public Accounts

LBB Staff: JK, DLBa, GO, MS, RG