

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

March 5, 2003

TO: Honorable David Swinford, Chair, House Committee on Government Reform

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB1155 by Giddings (Relating to travel services affecting public junior colleges and school districts.), **As Introduced**

No fiscal implication to the State is anticipated.

This bill would authorize community/junior college districts to participate in the Building and Procurement Commission's contracts for travel agency services and other travel services.

An officer or employee of a school district would be authorized to use the commission's contract for travel services for obtaining reduced airline fares and reduced travel agent fees.

Local Government Impact

The Comptroller indicates a potential savings of \$13.3 million annually based on an estimated 10% savings on projected expenditures of \$133 million.

According to the Texas Education Agency's (TEA) expenditure data from PEIMS (school year 2000-01), school districts spent \$124 million on travel. TEA estimates that 4% of district travel expenditures is for airfare and a total of 16% is for lodging and airfare services.

If the same percentages of air travel and lodging expenditures are applied to the \$133 million, a 10% annual savings for these expenditures would result in \$532,000 for air travel and \$2,128,000 for air travel and lodging combined.

Savings to public junior colleges would depend on current purchasing practices.

Source Agencies: 303 Building And Procurement Commission, 304 Comptroller Of Public Accounts, 701 Central Education Agency, 781 Higher Education Coordinating Board

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