

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

May 14, 2003

TO: Honorable Bill Ratliff, Chair, Senate Committee on State Affairs

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB2397 by Corte (Relating to a vendor's or subcontractor's remedy for nonpayment of certain contracts.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would amend the Government Code by allowing a vendor to suspend performance of a contract if the governmental entity failed to pay an undisputed amount within the time limits provided. Any governmental entity that claims that there is a good faith dispute must notify the vendor with specificity and provide an opportunity to cure.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 601 Department of Transportation, 302 Office of the Attorney General, 303 Building and Procurement Commission

LBB Staff: JK, RR, MS, RG