

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

May 9, 2005

TO: Honorable Troy Fraser, Chair, Senate Committee on Business & Commerce

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: HB1146 by Chisum (Relating to contingent payment clauses in certain construction contracts.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would allow the use of contingent payment clauses in agreements between contractors and subcontractors on construction projects, subject to certain defined limitations and procedures.

Local Government Impact

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

Source Agencies: 303 Building and Procurement Commission, 720 The University of Texas System Administration

LBB Staff: JOB, JRO, WP, SJS