

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION**

**April 24, 2005**

**TO:** Honorable Robert Duncan, Chair, Senate Committee on State Affairs

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

**IN RE: SB70** by Shapleigh (Relating to the provision of a preference in governmental purchasing decisions for vendors that provide health benefits to employees.), **As Introduced**

<b>No significant fiscal implication to the State is anticipated.</b>
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This bill would require school districts and state agencies to provide preference in awarding contracts to vendors that provide health benefits coverage to their employees. The Texas Building and Procurement Commission would need to revise agency rules, revise contract management guidelines, and revise other procurement forms developed by the agency. It is assumed that these additional duties and responsibilities associated with implementing the provisions of the bill could be absorbed within existing state resources.

The bill would take effect on September 1, 2005.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated. School districts would be required to give preference to vendors that provide health benefits to their employees unless one of the vendors under consideration has fewer than 50 employees.

**Source Agencies:** 303 Building and Procurement Commission, 304 Comptroller of Public Accounts, 701 Central Education Agency

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