

**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: SB1531** by Averitt (Relating to requiring a contractor or subcontractor to provide health insurance to its employees to participate in certain state contracts.), **As Introduced**

**No significant fiscal implication to the State is anticipated.**

This bill would prohibit state agencies from awarding contracts for goods and services to contractors or subcontractors that do not provide health benefits coverage to each full-time employee and the employee's dependents. 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 fiscal implication to units of local government is anticipated.

**Source Agencies:** 303 Building and Procurement Commission

**LBB Staff:** JOB, SR, JM