

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 9, 2007

TO: Honorable Bill Callegari, Chair, House Committee on Government Reform

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

IN RE: HB1182 by Davis, John (Relating to the provision of a preference in certain governmental purchasing decisions for vendors or contractors that provide health care benefits or equivalent health savings benefits to employees.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would require that state agencies and school districts consider whether a vendor provides health care benefits or equivalent health savings benefits to its employees when awarding a contract for goods or services and to allow state agencies and school districts to give preference to those vendors if the cost of those goods and services does not exceed the cost of similar goods or services offered by vendors that don't provide health care benefits to its employees.

Local Government Impact

No significant fiscal implication to units of local government is anticipated to implement the provisions of the bill. However, the preferences may result in higher contract costs for a school district, municipality, or county.

Source Agencies: 303 Building and Procurement Commission, 701 Central Education Agency

LBB Staff: JOB, MN, MS, EP, KJG