

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 27, 2007

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

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

IN RE: HB3234 by Alonzo (Relating to the requirement that governmental entities give preference to Texas-based companies in awarding certain financial services contracts.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill amends existing law and requires governmental entities, including the Employees Retirement System (ERS) and the Teacher Retirement System (TRS), to give preference to a resident bidder, including a historically underutilized business, in awarding a contract for a financial advisor or service provider. TRS indicates that the fiscal impact cannot be estimated. The impact is not likely to be significant.

Local Government Impact

It may cost more for a local governmental entity to choose a resident bidder over a nonresident bidder for financial advising services.

Source Agencies: 323 Teacher Retirement System, 327 Employees Retirement System

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