

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

**FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION**

**March 30, 2007**

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

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

**IN RE: HB3517** by Creighton (Relating to competitive purchasing requirements for local governments.), **As Introduced**

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

The bill would amend the Local Government Code to remove restrictions on municipalities of a certain population size regarding the purchase of insurance. In addition, the bill would authorize a municipality to use the competitive sealed proposal procedure for the purchase of goods or services. A municipality would be required to determine the best value for the municipality if it were to consider a method of purchasing other than sealed bid.

The bill would take effect September 1, 2007.

**Local Government Impact**

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

**Source Agencies:**

**LBB Staff:** JOB, MN, DB