

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

**FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION**

**March 30, 2009**

**TO:** Honorable Burt R. Solomons, Chair, House Committee on State Affairs

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

**IN RE: HB2515** by Smith, Todd (Relating to the minimum dollar amount for certain requirements to apply to certain public contracts.), **As Introduced**

<b>No fiscal implication to the State is anticipated.</b>
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Current law in the Government Code requires a governmental entity to require a payment bond from a prime contractor for a public work contract in excess of \$25,000. The bill would amend the Government Code to require this payment bond if the governmental entity is not a municipality or joint board for a county or municipal airport, or if the contract is in excess of \$50,000 and the governmental entity is a municipality or joint board for a county or municipal airport.

Current law in the Local Government Code allows the governing body of a municipality to grant general authority to an administrative official to approve a change order that involves a decrease or an increase of \$25,000 or less. The bill would raise the limit to \$50,000.

The agencies contacted indicate that the bill would have no fiscal implication to the State.

**Local Government Impact**

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

**Source Agencies:** 303 Facilities Commission, 304 Comptroller of Public Accounts, 529 Health and Human Services Commission, 601 Department of Transportation, 696 Department of Criminal Justice, 701 Central Education Agency, 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration

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