

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 28, 2009

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

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

IN RE: HB2521 by Pickett (Relating to a preference in state purchasing for certain media-related services offered by businesses based in Texas.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

The bill would amend the Government Code to require the Comptroller of Public Accounts and each state agency conducting an advertising campaign that includes a commercial to give preference to a company located in Texas if the services meet state requirements regarding service and quality, and if the cost does not exceed the cost of similar services from outside the State.

For the provisions of the bill, the Music, Film, Television, and Multimedia Office within the Office of the Governor would have exclusive rulemaking authority for purposes of determining advertising campaign requirements, establishing a bid process, and establishing criteria to determine whether a commercial production company or advertising agency is located in this State.

No significant fiscal implication to the State is anticipated since agencies would only give preference to a Texas based business if the cost of service does not exceed the cost from a non-Texas based business. It is assumed that any costs associated with the bill's rulemaking authority could be absorbed within existing resources of the Trusteed Programs within the Office of the Governor.

The bill would also amend the Government Code, regarding state purchasing and allow the Comptroller to collect a \$20 fee from each registrant on the master bidders list, in addition to the charge allowed under current law, for the purpose of enforcing compliance with requirements of state purchasing statutes and the prevention of fraud in the HUB program. It is assumed that any additional revenue received as a result of the bill would not be significant.

Local Government Impact

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

Source Agencies: 301 Office of the Governor, 304 Comptroller of Public Accounts, 305 General Land Office and Veterans' Land Board, 362 Texas Lottery Commission, 405 Department of Public Safety, 529 Health and Human Services Commission, 601 Department of Transportation, 802 Parks and Wildlife Department

LBB Staff: JOB, JRO, SD, PJK, KJG, JM