

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 27, 2009

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

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

IN RE: HB2670 by Thibaut (Relating to governmental liability for interest resulting from a claim for payment for goods or services.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend statute and make a governmental entity not liable for interest on a late payment if the governmental entity is involved in a bona fide dispute with a vendor, contractor, subcontractor, or supplier concerning the goods delivered or the service performed. The provisions of the bill could reduce spending by state and local governments for interest on overdue payments to vendors; however, the fiscal impact is not expected to be significant.

Local Government Impact

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

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, KJG, JM