

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 20, 2009

TO: Honorable Dan Branch, Chair, House Committee on Higher Education

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

IN RE: SB857 by West (relating to the purchasing and contracting practices of junior college districts; providing criminal penalties.), **Committee Report 2nd House, Substituted**

No fiscal implication to the State is anticipated.

The bill would structure how certain large, urban community college districts procure goods and services, to include defining the criteria used to request and process bids/contracts, as well as the criteria used to review and approve (or reject) bids/contracts.

The bill would also note certain community college districts are subject to audit by the State Auditor's Office.

The bill would also require certain criminal penalties in the enforcement of contract solicitation procedures.

The Second Committee Substitute version of the bill adds a further exemption from the purchase methodology required by the bill for library-related items.

Local Government Impact

The bill's effect on local community college districts would depend on how similar or dissimilar each affected district's procurement process is from the procurement process required by the bill.

Source Agencies: 308 State Auditor's Office, 781 Higher Education Coordinating Board

LBB Staff: JOB, KK, RT, JAW