

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 20, 2009

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

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

IN RE: SB1110 by Jackson, Mike (Relating to contracts by governmental entities and related professional services and to public works performance and payment bonds.), **Committee Report 2nd House, Substituted**

No fiscal implication to the State is anticipated.

The bill would amend statutes and repeal portions of statutes to revise existing rules and to establish additional rules and procedures for a governmental entity regarding:

- reverse auction procedures related to a public work contract;
- use of public school district resources, competitive bidding, change orders, and damage recovery;
- higher education contracting with certain businesses, and;
- construction management, multiple award contracts, design and construction contracting and delivery, the number of eligible projects, engineering oversight, and job order contracting (ongoing maintenance or minor construction.)

The bill would have certain exemptions for the Texas Department of Transportation, higher education institutions and systems other than public junior colleges, regional tollway authorities, and certain contracts for energy savings, sports, airport, transportation, and port authority projects.

The agencies contacted indicate that no fiscal implication is anticipated.

Local Government Impact

Based on information gathered from local government entities, it is assumed that an entity would choose the method of contracting that would provide the best value; therefore, no significant fiscal impact is anticipated.

Source Agencies: 303 Facilities Commission, 701 Central Education Agency

LBB Staff: JOB, KJG, SD, PJK, KY, KK, JSp, DB