

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

**FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION**

**March 18, 2011**

**TO:** Honorable Garnet Coleman, Chair, House Committee on County Affairs

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

**IN RE: HB1694** by Coleman (Relating to the purchasing and contracting authority of counties.), **As Introduced**

<b>No fiscal implication to the State is anticipated.</b>
---

The bill would amend several sections of the Local Government Code to revise the purchasing and contracting authority of counties. The bill would remove some distinctions between large and small counties; facilitate cooperative purchasing practices; redefine the criteria for the "lowest and best" offer; expand use of electronic transfers, checks, warrants, and purchasing cards; clarify responsibilities of county commissioners courts, auditors and purchasing agents; alter certain health insurance considerations; and prescribe penalties for certain violations including the removal of confinement requirements.

The bill would repeal Sections 262.0271(a), 262.0295(a)(3), 262.034(b), 262.035, 271.029(b), 271.064 (b), and 271.065 of the Local Government Code.

**Local Government Impact**

The Comptroller of Public Accounts provided information obtained from three counties showing a net savings that would vary by county.

Dallas County reported that the bill would cause a prorated savings in advertising of \$2,065 for fiscal year (FY) 2011. There would then be a yearly savings of \$24,781 following FY 2011.

Jasper County indicated that the bill would have no impact in FY 2011. Beginning in FY 2012, there would be an expected yearly advertising savings of \$700.

Smith County estimated no cost savings in FY 2011 with a yearly savings of \$1,500 beginning in FY 2012.

**Source Agencies:**

**LBB Staff:** JOB, KKR, TP