

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

March 25, 2011

TO: Honorable Royce West, Chair, Senate Committee on Intergovernmental Relations

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

IN RE: SB413 by West (Relating to the purchasing and contracting authority of counties.
) , **Committee Report 1st House, Substituted**

No fiscal implication to the State is anticipated.

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), 271.030, 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 there would be a prorated savings of \$2,065 for advertising in fiscal year (FY) 2011, and an annual savings of \$24,781 for advertising in subsequent fiscal years.

Jasper County reported there would be no savings in FY 2011 since the county would not send out any competitive bid requests, but would have an annual savings of \$700 for advertising in subsequent fiscal years.

Smith County reported there would be no savings in FY 2011 since the county would not send out any competitive bid requests, but would have an annual savings of \$1,500 for advertising in subsequent fiscal years.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, KKR, TP, LCO