

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

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

**April 25, 2011**

**TO:** Honorable Tommy Williams, Chair, Senate Committee on Transportation & Homeland Security

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

**IN RE: SB1864** by Davis (Relating to the awarding of contracts by the Texas Department of Transportation to private sector providers.), **Committee Report 1st House, Substituted**

**No significant fiscal implication to the State is anticipated.**

The bill would amend Chapter 223 of the Transportation Code, relating to bids and contracts for highway projects, to require the Texas Department of Transportation (TxDOT) in awarding contracts to a private sector provider to give preference to a private sector provider if (1) the preference serves to create a positive impact on job growth and retention in Texas, (2) the transportation project subject to the contract is funded entirely with state and/or local funds, and (3) the provider meets TxDOT's expectations regarding price for the contract.

Based on the analysis provided by TxDOT, it is assumed any costs or duties associated with implementing the provisions of the bill could be absorbed within existing resources.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 601 Department of Transportation

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