

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

**FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION**

**April 9, 2013**

**TO:** Honorable Tracy O. King, Chair, House Committee on Agriculture & Livestock

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB2528** by Rodriguez, Eddie (Relating to the preference given by state and local governmental entities to agricultural products produced or grown in this state.), **As Introduced**

<p><b>No significant fiscal implication to the State is anticipated.</b></p>
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The bill would amend the Government Code, 2155 to require state agencies to give preference to Texas agricultural goods if the quality and costs are equal to products grown outside of the state, and permit state agencies to give preference to Texas agricultural products if the cost of the goods does not exceed 107 percent of the cost of agricultural products grown outside of the state and are of equality quality.

The Texas Department of Criminal Justice (TDCJ) and the Department of State Health Services (DSHS) indicate that any costs associated with the bill could be absorbed within each agency's existing resources. The Comptroller of Public Accounts (CPA) indicates the impact to the state cannot be determined.

**Local Government Impact**

The bill would amend the Education Code, Chapter 44 to permit school permit school districts to give preferences to agricultural products produced, processed, or grown in this state if the cost to the school districts did not exceed 107 percent of the cost of agricultural products of equal quality produced or grown outside of the state. According to the Texas Education Agency (TEA), school districts could experience cost increases of up to seven percent for agricultural products in order to give preference to Texas-grown products.

The bill would amend the Local Government Code, 271 to require local governments to give preference to Texas agricultural goods if the quality and costs are equal to products grown outside of the state, and permit local governments to give preference to Texas agricultural products if the cost of the goods does not exceed 107 percent of the cost of agricultural products grown outside of the state and of equality quality. The Comptroller of Public Accounts (CPA) indicates the impact to units of local governments cannot be determined.

**Source Agencies:** 696 Department of Criminal Justice, 304 Comptroller of Public Accounts,  
537 State Health Services, Department of, 701 Central Education Agency

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