

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

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

**May 5, 2013**

**TO:** Honorable Harold V. Dutton, Jr., Chair, House Committee on Urban Affairs

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

**IN RE:** **HB3681** by Smith (relating to the acceptance of bids for certain contracts for improvements to real property from a person who received compensation for participating in the preparation of the bidding specifications. ), **Committee Report 1st House, Substituted**

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

The bill would amend Chapter 271 of the Local Government Code to provide that a local government may not accept a bid or award a contract for an improvement to real property to a person that has received financial compensation from the local government to participate in preparing the specifications or request for proposals that the bid or contract is based. A local government may terminate a contract without obligation to a vendor if the individual or business entity was ineligible to have the contract.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:**

**LBB Staff:** UP, KKR, TP