

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

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

**April 4, 2013**

**TO:** Honorable Robert Nichols, Chair, Senate Committee on Transportation

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

**IN RE:** SB1294 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's bid or proposal does not exceed the amount equal to 105 percent of the lowest bid or proposal received by TxDOT for the procurement.

Based on the information 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

**LBB Staff:** UP, AG, TG