

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

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**March 26, 2017**

**TO:** Honorable René Oliveira, Chair, House Committee on Business & Industry

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

**IN RE: HB863** by Hernandez (Relating to safety training for employees performing construction work under a contract with a governmental entity; providing administrative penalties.), **As Introduced**

The fiscal implications of the bill cannot be determined at this time.

The bill would require contractors providing general construction services to governmental entities to ensure all employees working on the construction site have received safety training consistent with federal Occupational Safety and Health Administration standards. The bill would authorize a governmental entity to impose an administrative penalty of \$100 per day for each employee working in noncompliance of these provisions and allow the penalty to be withheld from a payment otherwise owed to the contractor.

The fiscal implications of the bill cannot be determined at this time because it is unknown how many contracts would be impacted, the number of contractor employees that will need to receive training, and the amount of oversight that each agency will have to provide in accordance with the bill's provisions.

The bill would apply only to a contract solicited by a governmental entity on or after the effective date. The bill would take effect September 1, 2017.

**Local Government Impact**

According to the Texas Municipal League, the fiscal impact cannot be determined.

**Source Agencies:** 303 Facilities Commission, 601 Department of Transportation, 696 Department of Criminal Justice, 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration

**LBB Staff:** UP, CL, JJ, LAU, JGA, KVe