

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 3, 2017

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB1477** by Walle (Relating to required workers' compensation insurance coverage for building and construction contractors.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill amends statute to clarify language regarding the provision of workers compensation insurance for certain state contractors and subcontractors.

This analysis assumes the bill does not prevent state entities from using existing programs to meet statutory requirements and would have no fiscal impact on the state. The University of Texas System has indicated that if the bill was interpreted as removing the authority to use Owner Controlled Insurance Programs to meet the requirements of this section, it could result in increased construction costs to the system.

Local Government Impact

According to the Texas Municipal League, the fiscal impact to municipalities is not anticipated to be significant.

Source Agencies: 303 Facilities Commission, 454 Department of Insurance, 479 State Office of Risk Management, 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

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