

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

**FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION**

**May 16, 2019**

**TO:** Honorable Kelly Hancock, Chair, Senate Committee on Business & Commerce

**FROM:** John McGeady, Assistant Director    Sarah Keyton, Assistant Director  
Legislative Budget Board

**IN RE:** **HB2367** by Bonnen, Greg (Relating to a prohibition on bids by certain insurance and health benefit providers to administer or provide coverage under certain group benefit plans for governmental employees.), **As Engrossed**

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

The Teacher Retirement System and Texas Department of Insurance assume that the provisions of the bill relating to a prohibition on bids by certain insurance and health benefit providers to administer or provide coverage under certain group benefit plans for governmental employees could be absorbed using existing resources.

The Employees Retirement System (ERS) indicates that its current vendors are in compliance with the bill's provisions; therefore this analysis assumes additional costs to implement the bill could be absorbed using existing resources. However, ERS also indicates the bill could limit contractor choice for future bidding cycles, which could reduce cost savings in future years.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:**        327 Employees Retirement System, 454 Department of Insurance, 323  
Teacher Retirement System

**LBB Staff:** WP, CLo, AM, ASa, CMa, KFB