

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

March 6, 2019

TO: Honorable Jane Nelson, Chair, Senate Committee on Finance

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

IN RE: SB65 by Nelson (Relating to state contracting and procurement.), **As Introduced**

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would amend Chapter 321 of the Government Code, regarding the State Auditor.

The bill would require the State Auditor to yearly assign one of three monitoring ratings to each of the 25 largest state agencies by total appropriations: (1) needs additional monitoring during the identified stages of the procurement cycle; (2) no additional monitoring needed; or (3) reduced monitoring during the identified stages of the procurement cycle is warranted. The bill would require the State Auditor to consider certain information in assigning the ratings. The Comptroller would be required to develop guidelines for additional or reduced monitoring of procurements.

The bill would amend Chapter 2155 of the Government Code, regarding general rules and procedures for purchasing, to require state agencies to review a vendor's performance at major milestones and at least once each year.

The Comptroller's Office and State Auditor's Office indicated there would be no significant fiscal impact. This analysis assumes any costs to the Department of Information Resources could be absorbed within current resources.

Local Government Impact

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

Source Agencies: 304 Comptroller of Public Accounts, 308 State Auditor's Office, 313
Department of Information Resources

LBB Staff: WP, KK, JPU, CW