

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

**FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION**

**April 3, 2003**

**TO:** Honorable Frank Madla, Chair, Senate Committee on Intergovernmental Relations

**FROM:** John Keel, Director, Legislative Budget Board

**IN RE: SB733** by Ratliff (Relating to the purchase by certain local governments of an item from a local vendor.), **Committee Report 1st House, Substituted**

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

The bill would authorize a local government that is located in a county with a population of 50,000 or less to purchase items from a local vendor without going through the competitive bidding process if the vendor's price is equal to or less than the price at which the local government could purchase the item under certain government purchasing programs of this state. The bill would take effect September 1, 2003.

If a local government is able to purchase items locally at the same or lower price as otherwise likely, there would be a savings in administrative costs associated with the bid process, in addition to obtaining a low cost for the purchase.

**Local Government Impact**

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

**Source Agencies:**

**LBB Staff:** JK, JO, DLBa