

BILL ANALYSIS

Senate Research Center
78R1329 SMJ-F

H.B. 211
By: Brown, Fred (Ogden)
Health & Human Services
4-7-2003
Engrossed

DIGEST AND PURPOSE

H.B. 211 amends Chapter 252 of the Local Government Code (Purchasing and Contracting Authority of Municipalities). Chapter 252 contains the fundamental requirements that cities seek competitive bids for purchases over \$25,000, with certain exemptions and exceptions. Chapter 252 makes it a Class B misdemeanor to violate the competitive biddings requirement. Other violations of Chapter 252 by city officials and employees may be prosecuted as a Class C misdemeanor. H.B. 211 amends Section 252.021, in Subchapter B, which contains the requirement for bidding over \$25,000. Under current law, Section 252.021, a city with a population under 75,000 must purchase insurance requiring an expenditure of \$5,000 or more on a competitive sealed bid basis. H.B. 211 would lower that population figure to 25,000.

Also under current law, a city with a population over 75,000 may employ a competitive sealed proposal procedure for insurance purchases. H.B. 211 likewise lowers the maximum population from 75,000 to 25,000.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Sections 252.021(b) and (c), Local Government Code, to decrease the maximum permissible population of certain municipalities relating to the purchase of insurance through competitive bidding and proposal procedures from 75,000 to 25,000.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: upon passage or September 1, 2003.