

BILL ANALYSIS

Senate Research Center
79R5739 ATP-F

H.B. 2661
By: Krusee (Ogden)
Intergovernmental Relations
5/12/2005
Engrossed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Before 2001, any major city public works or construction projects could only be awarded on a competitive bid basis, with the contract going to the lowest responsible bidder. In 2001, the Texas Legislature authorized municipalities to use competitive sealed proposals and other alternative bidding procedures including design/build, the construction manager-agent method, and the construction manager-risk method. However, these alternative bidding procedures were restricted to bids for construction, rehabilitation, alteration, or repair services for a facility, also known as "vertical" projects.

H.B. 2661 amends the Local Government Code to allow municipalities to use competitive sealed proposal bidding procedures for "horizontal" projects, such as highways, roads, streets, and utilities, costing \$1.5 million or less listed under Section 252.043(d) of that code.

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 Section 252.043, Local Government Code, by amending Subsection (d) and adding Subsection (d-1), as follows:

(d) Makes a conforming change.

(d-1) Authorizes a contract for construction of a project described by Subsection (d) that requires an expenditure of \$1.5 million or less to be awarded using the competitive sealed proposal procedure prescribed by Section 271.116.

SECTION 2. Amends Sections 271.116(a) and (c), Local Government Code, as follows:

(a) Requires a governmental entity to follow the procedures prescribed by this section (Selecting Contractor for Construction Services through Competitive Sealed Proposals) in selecting a contractor through competitive sealed proposals for construction, rehabilitation, alteration, or repair services for a facility or for construction of a project to which Section 252.043(d-1) applies. Makes a nonsubstantive change.

(c) Makes a conforming change.

SECTION 3. Effective date: upon passage or September 1, 2005.