

BILL ANALYSIS

Senate Research Center

H.B. 3517
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Intergovernmental Relations
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, local governmental entities use the process of competitive sealed bids for expenditures of \$25,000 or more with a few exceptions--professional services, high technology items, and insurance.

H.B. 3517 authorizes local governmental entities of all sizes to use the competitive sealed bid process for those expenditures, provided that the entities meet the required criteria.

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 the heading to Section 252.021, Local Government Code, to read as follows:

Sec. 252.021. COMPETITIVE REQUIREMENTS FOR PURCHASES.

SECTION 2. Amends Sections 252.021(b) and (c), Local Government Code, as follows:

(b) Authorizes a municipality to use the competitive sealed proposal procedure for the purchase of goods or services, including technology items, rather than high technology procurements, and insurance. Deletes existing text requiring the municipality to have a population of 25,000 or more and to comply with certain prescribed competitive sealed bid procedures.

(c) Requires the governing body of a municipality that is considering using a method other than competitive sealed bidding to determine before notice is given the method of purchase that provides the best value for the municipality. Authorizes the governing body to delegate, as appropriate, its authority under this subsection to a designated representative. Requires the municipality, of the competitive sealed proposals requirement applies to the contract, to consider the criteria described by Section 252.043(b) and the discussions conducted under Section 252.042 to determine the best value for the municipality.

SECTION 3. Amends the heading to Section 262.030, Local Government Code, to read as follows:

Sec. 262.030. ALTERNATIVE COMPETITIVE PROPOSAL PROCEDURE FOR CERTAIN GOODS AND SERVICES.

SECTION 4. Amends Section 262.030(d), Local Government Code, to authorize a county in which a purchasing agent has been appointed or employed, rather than a county with a population of one million or more, to use the competitive proposal purchasing method authorized by this section for the purchase of insurance or high technology items.

SECTION 5. Amends Section 775.084(a), Health and Safety Code, to require the board of emergency services commissioners to submit to competitive bids an expenditure of more than

\$50,000, rather than \$25,000, for one item or service, or more than one of the same or a similar type of item or service in a fiscal year.

SECTION 6. Effective date: September 1, 2007.