

## **BILL ANALYSIS**

Senate Research Center  
81R4095 PMO-F

S.B. 447  
By: Wentworth  
Intergovernmental Relations  
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As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Currently, a municipality with a population of less than 250,000 may award a contract for the purchase of real estate, certain personal property, or services to a bidder with a principal place of business in the municipality if the bid is within five percent of the lowest bid received from a bidder that is not a resident of the municipality. The municipality may do so only if the governing body of the municipality determines, in writing, that the local bidder offers the municipality the best combination of contract price and additional economic development opportunities for the municipality created by the contract award, including the employment of residents of the municipality and increased tax revenues to the municipality.

As proposed, S.B. 447 extends a preference to municipalities in awarding contracts for construction of a building, road, street, bridge, utility, or storm drainage facility.

### **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 271.9051(a) and (b), Local Government Code, as follows:

(a) Provides that this section applies only to a municipality with a population of less than 250,000 that contracts for or purchases under this title real property; personal property that is not affixed to real property; services; or construction of a building, road, street, bridge, utility, or storm drainage facility. Deletes existing text providing that this section applies only to a municipality with a population of less than 250,000 that is authorized under this title to purchase real property or personal property that is not affixed to real property. Incorporates existing text from Subsection (b). Makes nonsubstantive changes.

(b) Creates this subsection from existing text. Makes nonsubstantive changes.

SECTION 2. Effective date: upon passage or September 1, 2009.