

BILL ANALYSIS

Senate Research Center
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S.B. 1281
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Intergovernmental Relations
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

In 1995, the 74th Legislature created the Local Government Cooperative Purchasing Program to allow local governments to organize to increase efficiencies and purchasing power and thereby access favorable contracts with vendors for the purchase of materials, supplies, services, or equipment. The efficiencies in this process include foregoing traditional competitive bidding processes because the cooperative purchasing power already is able to leverage best prices with its purchasing power.

The statute defines "local government" as a political subdivision of the state, which is interpreted to restrict participation in the program to Texas local government participants and cooperative organizations only. There may be instances, however, where a local government or local government cooperative organization in another state could secure a better price for a contract for goods or services, especially if that good or service is better produced or performed in another state.

S.B. 1281 authorizes Texas local governments participating in a cooperative purchasing agreement to partner with local governments or cooperative organizations in other states to secure the best price for goods or services.

As proposed, S.B. 1281 amends current law relating to the authority of a local government to participate in a cooperative purchasing program with local governments of this state or another state.

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 271.102(a), Local Government Code, to authorize a local government to participate in a cooperative purchasing program with another local government of this state or another state or with a local cooperative organization of this state or another state.

SECTION 2. Effective date: upon passage or September 1, 2015.