

By: Harless

H.B. No. 4105

A BILL TO BE ENTITLED

AN ACT

relating to the authority of certain counties to consider a prospective contractor's principal place of business when awarding certain contracts.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter [Z](#), Chapter [271](#), Local Government Code, is amended by adding Section 271.909 to read as follows:

Sec. 271.909. CONSIDERATION OF LOCATION OF BIDDER'S PRINCIPAL PLACE OF BUSINESS FOR AWARDING CERTAIN COUNTY CONTRACTS.

(a) This section applies only to a county with a population of more than 3.3 million.

(b) A county may award a contract for services or for the construction, repair, or renovation of a structure, road, highway, or other improvement or addition to real property to a bidder whose principal place of business is in the county or in a contiguous county if:

(1) the bid or proposed price submitted by the bidder is within three percent of the lowest bid or proposed price received by the county from a bidder with the ability to perform the contract that does not have a principal place of business in the county or in a contiguous county; and

(2) the commissioners court determines, in writing, that the bid or proposal of the bidder offers the county the best combination of contract price, ability to perform the contract,

1 and additional economic development opportunities for the county
2 created by the contract award, including the employment of
3 residents of the county and increased tax revenues to the county.

4 (c) A county may not award a contract to a bidder under this
5 section if a person that would approve the contract:

6 (1) is related to the bidder within the third degree by
7 consanguinity or within the second degree by affinity, as described
8 by Subchapter B, Chapter 573, Government Code; or

9 (2) has financial ties to the bidder.

10 (d) This section does not prohibit a county from rejecting
11 all bids.

12 (e) This section does not apply to a contract for
13 professional services governed by Subchapter A, Chapter 2254,
14 Government Code.

15 SECTION 2. The change in law made by this Act applies only
16 to a contract for which a county first advertises or otherwise
17 solicits bids, proposals, offers, or qualifications or makes a
18 similar solicitation on or after the effective date of this Act.

19 SECTION 3. This Act takes effect September 1, 2025.