

By: Lindsay

S.B. No. 850

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to allowing local governments and school districts to  
3 prohibit contracts with delinquent taxpayers.

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

5 SECTION 1. Subchapter C, Chapter 252, Local Government  
6 Code, is amended by adding Section 252.0436 to read as follows:

7 Sec. 252.0436. CONTRACT WITH PERSON OR FIRM INDEBTED TO  
8 MUNICIPALITY. (a) A municipality by ordinance may establish  
9 regulations permitting the municipality to refuse to enter into a  
10 contract with a person indebted to the municipality.

11 (b) It is not a violation of this chapter for a  
12 municipality, under regulations adopted under Subsection (a), to  
13 refuse to award a contract to an apparent low bidder or successful  
14 proposer who is indebted to the municipality.

15 (c) In this section, "person" includes an individual, sole  
16 proprietorship, corporation, nonprofit corporation, partnership,  
17 joint venture, limited liability company, and any other entity that  
18 proposes or otherwise seeks to enter into a contract with the  
19 municipality requiring approval by the governing body of the  
20 municipality.

21 SECTION 2. Subchapter C, Chapter 262, Local Government  
22 Code, is amended by adding Section 262.0276 to read as follows:

23 Sec. 262.0276. CONTRACT WITH PERSON OR FIRM INDEBTED TO  
24 COUNTY. (a) By an order adopted and entered in the minutes of the

1 commissioners court and after notice is published in a newspaper of  
2 general circulation in the county, the commissioners court may  
3 adopt rules permitting the county to refuse to enter into a contract  
4 with a person indebted to the county.

5 (b) It is not a violation of this subchapter for a county,  
6 under rules adopted under Subsection (a), to refuse to award a  
7 contract to an apparent low bidder or successful proposer who is  
8 indebted to the county.

9 (c) In this section, "person" includes an individual, sole  
10 proprietorship, corporation, nonprofit corporation, partnership,  
11 joint venture, limited liability company, and any other entity that  
12 proposes or otherwise seeks to enter into a contract with the county  
13 requiring approval by the commissioners court.

14 SECTION 3. Subchapter B, Chapter 44, Education Code, is  
15 amended by adding Section 44.044 to read as follows:

16 Sec. 44.044. CONTRACT WITH PERSON OR FIRM INDEBTED TO  
17 SCHOOL DISTRICT. (a) The board of trustees of a school district by  
18 resolution may establish regulations permitting the school  
19 district to refuse to enter into a contract with a person indebted  
20 to the school district.

21 (b) It is not a violation of this subchapter for a school  
22 district, under regulations adopted under Subsection (a), to refuse  
23 to award a contract to an apparent low bidder or successful proposer  
24 who is indebted to the school district.

25 (c) In this section, "person" includes an individual, sole  
26 proprietorship, corporation, nonprofit corporation, partnership,  
27 joint venture, limited liability company, and any other entity that

1 proposes or otherwise seeks to enter into a contract with the school  
2 district requiring approval by the board.

3 SECTION 4. This Act takes effect September 1, 2003.