

1-1 By: Lindsay S.B. No. 850  
1-2 (In the Senate - Filed March 4, 2003; March 10, 2003, read  
1-3 first time and referred to Committee on Intergovernmental  
1-4 Relations; March 27, 2003, reported favorably by the following  
1-5 vote: Yeas 4, Nays 0; March 27, 2003, sent to printer.)

1-6 A BILL TO BE ENTITLED  
1-7 AN ACT

1-8 relating to allowing local governments and school districts to  
1-9 prohibit contracts with delinquent taxpayers.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Subchapter C, Chapter 252, Local Government  
1-12 Code, is amended by adding Section 252.0436 to read as follows:

1-13 Sec. 252.0436. CONTRACT WITH PERSON OR FIRM INDEBTED TO  
1-14 MUNICIPALITY. (a) A municipality by ordinance may establish  
1-15 regulations permitting the municipality to refuse to enter into a  
1-16 contract with a person indebted to the municipality.

1-17 (b) It is not a violation of this chapter for a  
1-18 municipality, under regulations adopted under Subsection (a), to  
1-19 refuse to award a contract to an apparent low bidder or successful  
1-20 proposer who is indebted to the municipality.

1-21 (c) In this section, "person" includes an individual, sole  
1-22 proprietorship, corporation, nonprofit corporation, partnership,  
1-23 joint venture, limited liability company, and any other entity that  
1-24 proposes or otherwise seeks to enter into a contract with the  
1-25 municipality requiring approval by the governing body of the  
1-26 municipality.

1-27 SECTION 2. Subchapter C, Chapter 262, Local Government  
1-28 Code, is amended by adding Section 262.0276 to read as follows:

1-29 Sec. 262.0276. CONTRACT WITH PERSON OR FIRM INDEBTED TO  
1-30 COUNTY. (a) By an order adopted and entered in the minutes of the  
1-31 commissioners court and after notice is published in a newspaper of  
1-32 general circulation in the county, the commissioners court may  
1-33 adopt rules permitting the county to refuse to enter into a contract  
1-34 with a person indebted to the county.

1-35 (b) It is not a violation of this subchapter for a county,  
1-36 under rules adopted under Subsection (a), to refuse to award a  
1-37 contract to an apparent low bidder or successful proposer who is  
1-38 indebted to the county.

1-39 (c) In this section, "person" includes an individual, sole  
1-40 proprietorship, corporation, nonprofit corporation, partnership,  
1-41 joint venture, limited liability company, and any other entity that  
1-42 proposes or otherwise seeks to enter into a contract with the county  
1-43 requiring approval by the commissioners court.

1-44 SECTION 3. Subchapter B, Chapter 44, Education Code, is  
1-45 amended by adding Section 44.044 to read as follows:

1-46 Sec. 44.044. CONTRACT WITH PERSON OR FIRM INDEBTED TO  
1-47 SCHOOL DISTRICT. (a) The board of trustees of a school district by  
1-48 resolution may establish regulations permitting the school  
1-49 district to refuse to enter into a contract with a person indebted  
1-50 to the school district.

1-51 (b) It is not a violation of this subchapter for a school  
1-52 district, under regulations adopted under Subsection (a), to refuse  
1-53 to award a contract to an apparent low bidder or successful proposer  
1-54 who is indebted to the school district.

1-55 (c) In this section, "person" includes an individual, sole  
1-56 proprietorship, corporation, nonprofit corporation, partnership,  
1-57 joint venture, limited liability company, and any other entity that  
1-58 proposes or otherwise seeks to enter into a contract with the school  
1-59 district requiring approval by the board.

1-60 SECTION 4. This Act takes effect September 1, 2003.

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