

AN ACT

relating to the use of the reverse auction procedure by the Texas Building and Procurement Commission.

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

SECTION 1. Section 2155.062(d), Government Code, is amended to read as follows:

(d) In this subchapter [~~section~~], "reverse auction procedure" means:

(1) a real-time bidding process usually lasting less than one hour and taking place at a previously scheduled time and Internet location, in which multiple suppliers, anonymous to each other, submit bids to provide the designated goods or services; or

(2) a bidding process usually lasting less than two weeks and taking place during a previously scheduled period and at a previously scheduled Internet location, in which multiple suppliers, anonymous to each other, submit bids to provide the designated goods or services.

SECTION 2. Subchapter B, Chapter 2155, Government Code, is amended by adding Section 2155.085 to read as follows:

Sec. 2155.085. REVERSE AUCTION PROCEDURE. (a) The commission shall:

(1) purchase goods or services using the reverse auction procedure whenever:

(A) the procedure provides the best value to the

1 state; or

2 (B) all purchasing methods provide equal value to
3 the state;

4 (2) offer historically underutilized businesses
5 assistance and training relating to the reverse auction procedure;
6 and

7 (3) advise historically underutilized businesses on
8 contracts available using the reverse auction procedure.

9 (b) The commission shall set a goal of purchasing at least
10 20 percent of the dollar value of goods or services purchased by the
11 commission using the reverse auction procedure.

12 (c) On or before December 1, 2006, the commission shall
13 report to the governor, the lieutenant governor, the speaker of the
14 house of representatives, the chair of the Senate Finance
15 Committee, and the chair of the House Appropriations Committee on
16 the effectiveness of using the reverse auction procedure to
17 purchase goods and services, including any cost savings realized by
18 the state from using the procedure. This subsection expires
19 September 1, 2007.

20 SECTION 3. This Act takes effect September 1, 2005.

President of the Senate

Speaker of the House

I certify that H.B. No. 908 was passed by the House on May 13, 2005, by a non-record vote; and that the House concurred in Senate amendments to H.B. No. 908 on May 27, 2005, by a non-record vote; and that the House adopted H.C.R. No. 240 authorizing certain corrections in H.B. No. 908 on May 30, 2005, by a non-record vote.

Chief Clerk of the House

I certify that H.B. No. 908 was passed by the Senate, with amendments, on May 25, 2005, by the following vote: Yeas 31, Nays 0; and that the Senate adopted H.C.R. No. 240 authorizing certain corrections in H.B. No. 908 on May 30, 2005, by a viva-voce vote.

Secretary of the Senate

APPROVED: _____

Date

Governor