

## **BILL ANALYSIS**

H.B. 119  
By: Brown, Fred  
Government Reform  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Current Texas law states that competitive bidding, whether formal or informal, is not required for a purchase by a state agency if the purchase does not exceed \$2,000, or a greater amount prescribed by commission rule. A catalog purchase or lease in excess of \$2,000 shall, when possible, be based on an evaluation of at least three catalog offers.

H.B. 119 tries to promote a more competitive and accountable bidding process on purchases made under a written contract. H.B. 119 would require a state agency, making a purchase that is less than \$2,000, to participate in the competitive bidding process, when made under written contract, by evaluating at least three offers from catalog information systems vendors. This bill would also require documentation by the state agency, prior to making a catalog purchase or lease that is in excess of \$2,000 or made under written contract, detailing the reasons why at least three catalog offers were not evaluated.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

The bill would amend the Government Code by requiring, whenever possible, that a purchase exceeding \$2,000, or is made under a written contract, be based on the evaluation of at least three catalog offers. If a purchase that exceeds \$2,000, or is made under a written contract, is not evaluated by at least three catalog offers, the reasons shall be documented before making the purchase.

Lastly, the bill makes non-substantive, conforming changes.

### **EFFECTIVE DATE**

September 1, 2007.