

## **BILL ANALYSIS**

Senate Research Center  
80R1649 YDB-D

H.B. 1179  
By: Flores (Nelson)  
State Affairs  
5/9/2007  
Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

When the Texas Lottery Commission (commission) was created, the legislature exempted the commission from certain procurement practices in order to expedite the start-up processes for the commission and to begin generating funds for the state. Now that the commission has been in existence for several years, there may no longer be any need for the commission to continue in the current contracting practice form.

Additionally, the commission, under its rulemaking authority, adopted comprehensive procurement procedures modeled in part on Texas Building and Procurement Commission (TBPC) rules and practices. However, the procurement procedures of the commission are required to be read together with TBPC requirements, leading to a situation where TBPC may be subject to two sets of procurement statutes or rules with different and inconsistent results.

H.B. 1179 repeals certain sections of current statute relating to the commission's procurement practices and provides a transition period for the commission from current practice to TBPC oversight.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 466.101, Government Code, as follows:

Sec. 466.101. PROCUREMENT PROCEDURES. Provides that general law governing purchasing and contracts by state agencies applies to the Texas Lottery Commission (commission), except as otherwise provided by this subchapter. Deletes existing text relating to current authorization for the executive director of the commission to establish procedures for the purchase or use of facilities, goods, and services and for the ability to make purchases, leases, or contracts. Deletes existing text providing procedures for parties aggrieved by the terms of a solicitation or the award of a contract. Deletes existing text requiring any entities seeking to contract for goods and services to submit to a competitive bidding process.

SECTION 2. Repealer: Sections 466.102 (Liquidated Damages; Performance Bond), 466.104 (Assistance of General Services Commission), 466.105 (Applicability of Other Law), 466.106 (Preference for Texas Businesses), 466.107 (Minority Businesses), and 466.108 (Television Contracts), Government Code.

SECTION 3. Makes application of this Act prospective, except for a contract or purchase for which the initial notice soliciting bids or proposals or other applicable expressions of interest is given before the effective date, which is prospective to the date when the initial notice for the contract or purchase is given.

SECTION 4. Effective date: September 1, 2007.