BILL ANALYSIS

BACKGROUND AND PURPOSE

The Dallas/Fort Worth (DFW) Airport has a Small and Emerging Business Program (SEB). This program is designed to increase the opportunities of small businesses to participate in its local contracting activities. The airport has experienced some adverse affects due to its use of SEB rather than the statewide Historically Underutilized Businesses program. DFW is unable to include small business participation in the "best value" solicitation category of the evaluation criteria.

C.S.H.B 2749 amends the "best value" selection criteria by including the impact on the ability of the purchasing entity to comply with laws, rules and its own programs when contracting with small businesses.

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

C.S.H.B. 2749 provides new authority for a joint board awarding contracts in the same manner as Chapter 252, Local Government Code. The board may now consider the impact on its ability to comply with laws, rules and programs relating to contracting with small businesses. The U.S. Small Business Administration's size standards are used for all for-profit industries and the board shall consider this criteria when determining the best value contract for the board.

EFFECTIVE DATE

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2007.

COMPARISON OF ORIGINAL TO SUBSTITUTE

The substitute amends the bill by regarding the best value determination by the board relating to contracts. The original bill relates to contracting with businesses owned and controlled by women, minorities, or disadvantaged persons. The substitute is amended to relate to contracting with small businesses, as defined by the U.S. Small Business Administration's size standards for all for-profit industries.