

By: Creighton

H.B. No. 3517

A BILL TO BE ENTITLED

AN ACT

relating to competitive purchasing requirements for local governments.

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

SECTION 1. The heading to Section 252.021, Local Government Code, is amended to read as follows:

Sec. 252.021. COMPETITIVE REQUIREMENTS FOR ~~[CERTAIN]~~ PURCHASES.

SECTION 2. Sections 252.021(b) and (c), Local Government Code, are amended to read as follows:

~~(b) [Before a municipality with a population of less than 25,000 may enter into a contract for insurance that requires an expenditure of more than \$5,000 from one or more municipal funds, the municipality must comply with the procedure prescribed by this chapter for competitive sealed bidding.~~

~~[(c)]~~ A municipality may use the competitive sealed proposal procedure for the purchase of goods or services, including high technology items [procurements] and~~[, in a municipality with a population of 25,000 or more, for the purchase of]~~ insurance.

(c) The governing body of a municipality that is considering using a method other than competitive sealed bidding must determine before notice is given the method of purchase that provides the best value for the municipality. The governing body may delegate, as appropriate, its authority under this subsection to a designated

1 representative. If the competitive sealed proposals requirement
2 applies to the contract, the municipality shall consider the
3 criteria described by Section 252.043(b) and the discussions
4 conducted under Section 252.042 to determine the best value for the
5 municipality.

6 SECTION 3. The heading to Section 262.030, Local Government
7 Code, is amended to read as follows:

8 Sec. 262.030. ALTERNATIVE COMPETITIVE PROPOSAL PROCEDURE
9 FOR CERTAIN GOODS AND [~~INSURANCE, HIGH TECHNOLOGY ITEMS, AND~~
10 ~~SPECIAL~~] SERVICES.

11 SECTION 4. Section 262.030(d), Local Government Code, is
12 amended to read as follows:

13 (d) A county in which a purchasing agent has been appointed
14 under Section 262.011 or employed under Section 262.0115 [~~having a~~
15 ~~population of one million or more according to the most recent~~
16 ~~federal census~~] may use the competitive proposal purchasing method
17 authorized by this section for the purchase of insurance or high
18 technology items. In addition, the method may be used to purchase
19 other items when the county official who makes purchases for the
20 county determines, with the consent of the commissioners court,
21 that it is in the best interest of the county to make a request for
22 proposals.

23 SECTION 5. Section 775.084(a), Health and Safety Code, is
24 amended to read as follows:

25 (a) Except as provided by Subsection (i), the board must
26 submit to competitive bids an expenditure of more than \$50,000
27 [~~\$25,000~~] for:

- 1 (1) one item or service; or
2 (2) more than one of the same or a similar type of item
3 or service in a fiscal year.

4 SECTION 6. This Act takes effect September 1, 2007.