

BILL ANALYSIS

H.B. 117
By: Heflin
County Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Texas counties are currently required to use competitive bidding or competitive proposal procedures for contract expenditures from a single vendor exceeding \$25,000. The county bid limit has not been changed since 1999, but due to the effects of inflation and costs of implementation of current purchasing procedures, the present bid limit is insufficient and burdensome for Texas counties.

In 2007, the 80th Legislature, Regular Session, increased the purchase limit for cities to \$50,000. Since the increase, many citizens, vendors, and public officials have been confused because of the difference between county and city bid limits.

H.B. 117 raises the competitive bidding threshold for counties to \$50,000, just as it was raised for cities in 2007, to make it less confusing and more practical for counties.

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

H.B. 117 amends the Local Government Code to increase from \$25,000 to \$50,000 the threshold amount above which a county's expenditure for a purchase from a small, sole-source supplier is subject to competitive bidding requirements. The bill increases from \$25,000 to \$50,000 the threshold amount above which a contract expenditure by a county is subject to specific procurement procedures. The bill increases from \$25,000 to \$50,000 the threshold amount above which a county expenditure on a contract for the construction, repair, or renovation of a structure, road, highway, or other improvement or addition to real property is subject to competitive bidding procedures. The bill increases from \$25,000 to \$50,000 the threshold amount above which a purchasing contract entered into by the governing board of a crime control and prevention district is subject to competitive bidding procedures.

EFFECTIVE DATE

September 1, 2009.