

BILL ANALYSIS

C.S.H.B. 507
By: Button
Technology
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Current law requires counties, municipalities, and school districts to publish multiple notices regarding the time and place competitive bids will be publicly opened and read aloud. This requirement causes unnecessary expense for these entities and an undue expense for taxpayers. In addition, the requirement ignores that many vendors now obtain information regarding possible procurement opportunities through electronic means, such as the Internet. Clearly, technology has changed expectations for customer service and government transparency at all levels.

C.S.H.B. 507 amends the notice publication requirements for school districts, municipalities, counties, and certain governmental entities to make the requirements more consistent with the practice of the State of Texas. The bill allows these public entities to post information regarding the opening of bids only once in a newspaper if the information is posted continuously on the entities' websites for 14 days prior to the bid deadline. The bill is intended to help local government entities reach the goal of providing notice to everyone, while saving taxpayer money.

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. 507 amends the Education Code and the Local Government Code to add, as an alternative means by which a school district, municipality, county, and certain local governmental entities located wholly or partly in a county with a population of one million or more and that maintain an Internet website may meet notice publication requirements relating to purchasing contracts, purchases, or certain public works contracts, as applicable, publishing notice in a newspaper described by certain provisions of law once not later than the 14th day before the bid receipt deadline and posting notice continuously on the entity's website, with a conspicuous link to the notice on the site's home page, for at least 14 days immediately preceding the bid receipt deadline.

C.S.H.B. 507 requires the newspaper notice to include the time and place at which the bids will be publicly opened and the Internet website address for the procurement information. The bill requires the governing body of the school district, municipality, county, and certain local governmental entities, as applicable, to publicly adopt standards to ensure that Internet posting of the notice is archived.

EFFECTIVE DATE

September 1, 2011.

COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.H.B. 507 differs from the original by limiting the authorized alternative means of meeting notice publication requirements for certain purchasing transactions involving a school district, municipality, county, and certain local governmental entities to a school district, municipality, county, and certain local governmental entities located in a county with a population of one million or more, whereas the original does not include the location limitation.

C.S.H.B. 507 differs from the original in its authorization for a school district, municipality, county, and certain local governmental entities to publish notice in a newspaper to omit the option included in the original for the newspaper notification to be on the newspaper's Internet website. The substitute differs from the original in its authorization to post notice continuously on the entity's website to add the requirement that the posting include a conspicuous link to the notice on the site's home page, whereas the original contains no such specification.

C.S.H.B. 507 contains provisions not included in the original requiring the governing body of a school district, municipality, county, and certain local governmental entities, as applicable, to publicly adopt standards to ensure that Internet posting of notice is archived.

C.S.H.B. 507 omits a provision included in the original relating to notice publication requirements for certain municipal transactions that require competitive bidding or competitive proposals. The substitute omits a provision included in the original relating to the notice publication requirement for the disposition of certain salvage or surplus property. The substitute differs from the original by making nonsubstantive and conforming changes.