

BILL ANALYSIS

C.S.H.B. 1283
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Urban Affairs
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Recently, the Texas Legislature enacted legislation that reduces certain municipalities' flexibility when awarding certain contracts. C.S.H.B. 1283 seeks to provide more contracting flexibility to certain municipalities by increasing for certain contracts the amount below which the municipality may take a bidder's local residency into consideration.

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. 1283 amends the Local Government Code, in provisions applicable only to a municipality with a population of less than 250,000 that is authorized under provisions of law to purchase real property or personal property that is not affixed to real property, to authorize such a municipality to enter into a contract for construction services in an amount of less than \$100,000 or a contract for other purchases in an amount of less than \$500,000, rather than for an expenditure of less than \$100,000, with the bidder whose principal place of business is in the municipality, if certain conditions are met, as an alternative to entering into a contract with the lowest bidder.

EFFECTIVE DATE

September 1, 2011.

COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.H.B. 1283 differs from the original by authorizing certain municipalities to enter into a purchasing contract under certain conditions with the bidder whose place of business is in the municipality for construction services in an amount of less than \$100,000 or other purchases in an amount of less than \$500,000, whereas the original authorizes the municipalities to enter into such a contract for an expenditure of less than \$500,000 and exempts purchases for construction services.