

BILL ANALYSIS

H.B. 1496
By: Gallego
County Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The enabling legislation of the Val Verde County Hospital District provides that a contract that involves an expenditure of more than \$15,000 may be entered into only after a competitive bidding process that complies with certain law. This threshold has become outdated and is unnecessarily restricting the district's operations.

H.B. 1496 increases the threshold amount for contracts above which the district must engage in competitive bidding in compliance with certain law.

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. 1496 amends Chapter 658, Acts of the 64th Legislature, Regular Session, 1975, to remove a provision authorizing all construction contracts of the Val Verde County Hospital District involving the expenditure of more than \$15,000 to be made only after advertising in the manner provided by statutory provisions relating to competitive bidding on certain public works contracts applicable to certain local governments. The bill instead requires district construction contracts involving the expenditure of more than \$100,000 to be procured in the manner provided by such provisions.

H.B. 1496 removes a provision authorizing all district contracts for purchases involving the expenditure of more than \$15,000 to be made only after advertising in the manner provided by the County Purchasing Act. The bill instead requires all district contracts for purchases involving the expenditure of more than \$100,000, other than contracts subject to statutory provisions relating to competitive bidding on certain public works contracts applicable to certain local governments or to statutory provisions relating to public work performance and payment bonds, to be procured in the manner provided by the County Purchasing Act.

EFFECTIVE DATE

September 1, 2011.