

BILL ANALYSIS

C.S.H.B. 2325
By: McClendon
Transportation
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Legislation enacted in 1999 allows certain mass transit authorities to negotiate a contract without competitive sealed bids, proposals, or postings if the amount involved in the contract is below a certain threshold. Some transit authorities have expressed an interest in raising the threshold amount to save additional taxpayer dollars on administrative costs. C.S.H.B. 2325 supports their efforts by increasing the threshold amount below which contracts may be negotiated without competitive sealed bids or proposals or certain posting requirements.

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. 2325 amends the Transportation Code to increase from \$25,000 to \$50,000 the threshold amount below which a contract of a metropolitan rapid transit authority for certain purchases is not subject to competitive bidding or notice requirements and makes a conforming change. The bill raises from \$25,000 to \$50,000 the cap on the maximum aggregate amount involved in a regional transportation authority's contract for construction, services, or property other than real property for which the executive committee may authorize the negotiation without competitive sealed bids or proposals.

EFFECTIVE DATE

September 1, 2011.

COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.H.B. 2325 differs from the original in the transition provision by making the substitute's provisions apply to a contract for which a regional transportation authority or metropolitan rapid transit authority first advertises or otherwise solicits bids or proposals on or after the substitute's effective date, whereas the original makes the original's provisions apply only to a contract for which a regional transportation authority first advertises or otherwise solicits bids or proposals on or after the original's effective date.