

By: McClendon

H.B. No. 2325

A BILL TO BE ENTITLED

AN ACT

relating to the competitive bidding and notice requirements for contracts of certain mass transportation authorities.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 451.110(c), Transportation Code, is amended to read as follows:

(c) Subsection (a) does not apply to a contract for:

- (1) \$50,000 [~~\$25,000~~] or less;
- (2) the purchase of real property;
- (3) personal or professional services; or
- (4) the acquisition of an existing transit system.

SECTION 2. Section 451.111(a), Transportation Code, is amended to read as follows:

(a) Except as provided by Subchapter Q, unless the posting requirement in Subsection (b) is satisfied, a board may not let a contract that is:

- (1) for more than \$50,000 [~~\$25,000~~]; and
- (2) for:
 - (A) the purchase of real property; or
 - (B) consulting or professional services.

SECTION 3. Section 452.107(c), Transportation Code, is amended to read as follows:

(c) The executive committee may authorize the negotiation of a contract without competitive sealed bids or proposals if:

1 (1) the aggregate amount involved in the contract is
2 \$50,000 [~~\$25,000~~] or less;

3 (2) the contract is for construction for which not
4 more than one bid or proposal is received;

5 (3) the contract is for services or property for which
6 there is only one source or for which it is otherwise impracticable
7 to obtain competition;

8 (4) the contract is to respond to an emergency for
9 which the public exigency does not permit the delay incident to the
10 competitive process;

11 (5) the contract is for personal or professional
12 services or services for which competitive bidding is precluded by
13 law; or

14 (6) the contract, without regard to form and which may
15 include bonds, notes, loan agreements, or other obligations, is for
16 the purpose of borrowing money or is a part of a transaction
17 relating to the borrowing of money, including:

18 (A) a credit support agreement, such as a line or
19 letter of credit or other debt guaranty;

20 (B) a bond, note, debt sale or purchase, trustee,
21 paying agent, remarketing agent, indexing agent, or similar
22 agreement;

23 (C) an agreement with a securities dealer or
24 investment adviser, broker, or underwriter; and

25 (D) any other contract or agreement considered by
26 the executive committee to be appropriate or necessary in support
27 of the authority's financing activities.

1 SECTION 4. The change in law made by this Act applies only
2 to a contract for which a regional transportation authority or
3 metropolitan rapid transit authority first advertises or otherwise
4 solicits bids or proposals on or after the effective date of this
5 Act.

6 SECTION 5. This Act takes effect September 1, 2011.