

1-1 By: McClendon (Senate Sponsor - Wentworth) H.B. No. 2325  
1-2 (In the Senate - Received from the House April 26, 2011;  
1-3 April 29, 2011, read first time and referred to Committee on  
1-4 Transportation and Homeland Security; May 17, 2011, reported  
1-5 favorably by the following vote: Yeas 6, Nays 0; May 17, 2011,  
1-6 sent to printer.)

1-7 A BILL TO BE ENTITLED  
1-8 AN ACT

1-9 relating to the competitive bidding and notice requirements for  
1-10 contracts of certain mass transportation authorities.

1-11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-12 SECTION 1. Section 451.110(c), Transportation Code, is  
1-13 amended to read as follows:

1-14 (c) Subsection (a) does not apply to a contract for:

- 1-15 (1) \$50,000 [~~\$25,000~~] or less;
- 1-16 (2) the purchase of real property;
- 1-17 (3) personal or professional services; or
- 1-18 (4) the acquisition of an existing transit system.

1-19 SECTION 2. Section 451.111(a), Transportation Code, is  
1-20 amended to read as follows:

1-21 (a) Except as provided by Subchapter Q, unless the posting  
1-22 requirement in Subsection (b) is satisfied, a board may not let a  
1-23 contract that is:

- 1-24 (1) for more than \$50,000 [~~\$25,000~~]; and
- 1-25 (2) for:

- 1-26 (A) the purchase of real property; or
- 1-27 (B) consulting or professional services.

1-28 SECTION 3. Section 452.107(c), Transportation Code, is  
1-29 amended to read as follows:

1-30 (c) The executive committee may authorize the negotiation  
1-31 of a contract without competitive sealed bids or proposals if:

1-32 (1) the aggregate amount involved in the contract is  
1-33 \$50,000 [~~\$25,000~~] or less;

1-34 (2) the contract is for construction for which not  
1-35 more than one bid or proposal is received;

1-36 (3) the contract is for services or property for which  
1-37 there is only one source or for which it is otherwise impracticable  
1-38 to obtain competition;

1-39 (4) the contract is to respond to an emergency for  
1-40 which the public exigency does not permit the delay incident to the  
1-41 competitive process;

1-42 (5) the contract is for personal or professional  
1-43 services or services for which competitive bidding is precluded by  
1-44 law; or

1-45 (6) the contract, without regard to form and which may  
1-46 include bonds, notes, loan agreements, or other obligations, is for  
1-47 the purpose of borrowing money or is a part of a transaction  
1-48 relating to the borrowing of money, including:

1-49 (A) a credit support agreement, such as a line or  
1-50 letter of credit or other debt guaranty;

1-51 (B) a bond, note, debt sale or purchase, trustee,  
1-52 paying agent, remarketing agent, indexing agent, or similar  
1-53 agreement;

1-54 (C) an agreement with a securities dealer or  
1-55 investment adviser, broker, or underwriter; and

1-56 (D) any other contract or agreement considered by  
1-57 the executive committee to be appropriate or necessary in support  
1-58 of the authority's financing activities.

1-59 SECTION 4. The change in law made by this Act applies only  
1-60 to a contract for which a regional transportation authority or  
1-61 metropolitan rapid transit authority first advertises or otherwise  
1-62 solicits bids or proposals on or after the effective date of this  
1-63 Act.

1-64 SECTION 5. This Act takes effect September 1, 2011.

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