

BILL ANALYSIS

C.S.H.B. 1373
By: Callegari
Government Efficiency & Reform
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties note that cities and counties often award purchasing contracts for goods or services to local businesses, but community colleges lack the authority to do so. The parties contend that awarding such contracts to local businesses is fiscally responsible and should be pursued when practicable, particularly when pricing is competitive between local and nonlocal businesses and when economic benefit accrues to the local community. These parties argue that giving community colleges the authority to prefer local workers and businesses when awarding purchasing contracts would ensure that a portion of citizens' tax dollars remain in the local economy for the benefit of that community. C.S.H.B. 1373 seeks to extend such authority to community colleges.

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. 1373 amends the Education Code to authorize a junior college district, in awarding a purchasing contract by competitive sealed bid, to consider the location of a bidder's principal place of business in the manner provided by statutory provisions governing the purchasing and contracting authority of municipalities, counties, and certain other local governments. The bill establishes that its provisions prevail over any other law relating to the purchase of goods and services by a junior college district. The bill's provisions do not apply to the purchase of advanced communications services, information service, or telecommunications service, as those terms are defined by federal law.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2013.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 1373 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and highlighted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

| INTRODUCED | HOUSE COMMITTEE SUBSTITUTE |
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| SECTION 1. Section 130.010, Education Code, is amended to read as follows: | SECTION 1. Section 130.010, Education Code, is amended to read as follows: |
| Sec. 130.010. PURCHASING | Sec. 130.010. PURCHASING |

CONTRACTS. (a) Except as provided by Subsection (c), the [The] provisions of Subchapter B, Chapter 44, relating to the purchase of goods and services under contract by a school district apply to the purchase of goods and services under contract by a junior college district.

(b) To the extent of any conflict, the provisions of this section and Subchapter B, Chapter 44, prevail over any other law relating to the purchase of goods and services by a junior college district.

(c) A junior college district, in awarding a contract by competitive sealed bid, may consider the location of a bidder's principal place of business in the manner provided by Sections 271.905 and 271.9051, Local Government Code.

SECTION 2. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2013.

CONTRACTS. (a) Except as provided by Subsection (c), the [The] provisions of Subchapter B, Chapter 44, relating to the purchase of goods and services under contract by a school district apply to the purchase of goods and services under contract by a junior college district.

(b) To the extent of any conflict, the provisions of this section and Subchapter B, Chapter 44, prevail over any other law relating to the purchase of goods and services by a junior college district.

(c) A junior college district, in awarding a contract by competitive sealed bid, may consider the location of a bidder's principal place of business in the manner provided by Sections 271.905 and 271.9051, Local Government Code. This subsection does not apply to the purchase of advanced communications services, information service, or telecommunications service, as those terms are defined by 47 U.S.C. Section 153.

SECTION 2. Same as introduced version.