

BILL ANALYSIS

C.S.H.B. 2703
By: Callegari
County Affairs
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties report that counties are the only local governments in Texas currently required by state law to publish notice of an Internet auction of surplus or salvage property with maximum value of \$500 if the property is sold before the 10th day. These parties also assert that specifying a maximum dollar amount in the law forces a county to hire an appraiser to establish the estimated value of such items. C.S.H.B. 2703 seeks to provide better fiscal efficiency at the county level and establish a uniform approach for local governments to conduct Internet auctions of surplus or salvage property items across the state by amending current law relating to the applicable notice 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. 2703 amends the Local Government Code to include in the notice requirement for a sale of surplus or salvage property through an Internet auction site offering online bidding through the Internet a county that authorizes a county employee in the course and scope of the employee's duties to sell surplus or salvage property, in addition to a county that contracts with a licensed auctioneer to do so. The bill removes the condition that the surplus or salvage property have an estimated value of not more than \$500 for a county to be required to satisfy the notice requirement by posting the property on the site for at least 10 days. The bill removes language excepting property sold before the 10th day from the requirement to post for at least 10 days.

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. 2703 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

SECTION 1. Section 263.153, Local Government Code, is amended to read as follows:

(a) The commissioners court shall publish notice of a sale of surplus or salvage

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Sections 263.153(a) and (c), Local Government Code, are amended to read as follows:

(a) Except as provided by Subsection (c), ~~the~~ [The] commissioners court shall publish

property in at least one newspaper of general circulation in the county.

(b) The notice must be published on or after the 30th day but before the 10th day before the date of the sale.

(c) A county that contracts with an auctioneer licensed under Chapter 1802, Occupations Code, or ~~who uses an Internet auction site offering online bidding through the Internet under chapter 1802.002, Occupations Code,~~ to sell surplus or salvage property under this subchapter ~~[having an estimated value of not more than \$500]~~ shall satisfy the notice requirement under this section by posting the property on the site for at least 10 days ~~[unless the property is sold before the 10th day].~~

SECTION 2. This Act takes effect September 1, 2013.

notice of a sale of surplus or salvage property in at least one newspaper of general circulation in the county.

(c) A county that contracts with an auctioneer licensed under Chapter 1802, Occupations Code, or ~~that authorizes a county employee in the course and scope of the employee's duties, [who uses an Internet auction site offering online bidding through the Internet]~~ to sell surplus or salvage property under this subchapter ~~through an Internet auction site offering online bidding through the Internet~~ ~~[having an estimated value of not more than \$500]~~ shall satisfy the notice requirement under this section by posting the property on the site for at least 10 days ~~[unless the property is sold before the 10th day].~~

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.