

By: Smith

H.B. No. 3681

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the acceptance of bids for local government contracts
3 from a person who received compensation from the local government
4 for participating in the preparation of the bidding specifications.

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

6 SECTION 1. Subchapter Z, Chapter 271, Local Government
7 Code, is amended by adding Section 271.909 to read as follows:

8 Sec. 271.909. CERTAIN BIDS AND CONTRACTS PROHIBITED. (a)

9 In this section, "local government" means a municipality, county,
10 or other political subdivision of this state subject to competitive
11 bidding requirements.

12 (b) A local government may not accept a bid or award a
13 contract that includes proposed financial participation by a person
14 who received compensation from the local government to participate
15 in preparing the specifications or request for proposals on which
16 the bid or contract is based.

17 (c) A bid or award subject to the requirements of this
18 section must include the following statement:

19 "Under Section 271.909, Local Government Code, the vendor
20 certifies that the individual or business entity named in this bid
21 or contract is not ineligible to receive the specified contract and
22 acknowledges that this contract may be terminated and payment
23 withheld if this certification is inaccurate."

24 (d) If a local government determines that an individual or

1 business entity holding a local government contract was ineligible
2 to have the contract accepted or awarded under Subsection (b), the
3 local government may immediately terminate the contract without
4 further obligation to the vendor.

5 (e) This section does not create a cause of action to
6 contest a bid or award of a local government contract.

7 (f) This section does not prohibit a bidder or contract
8 participant from providing free technical assistance to a local
9 government.

10 SECTION 2. The change in law made by this Act applies only
11 to a request for proposals, competitive bidding notice, or other
12 similar request issued by a local government on or after the
13 effective date of this Act.

14 SECTION 3. This Act takes effect September 1, 2013.