

AN ACT

relating to consideration of a bidder's principal place of business in awarding certain county contracts.

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

SECTION 1. The heading to Section 271.9051, Local Government Code, is amended to read as follows:

Sec. 271.9051. CONSIDERATION OF LOCATION OF BIDDER'S PRINCIPAL PLACE OF BUSINESS IN CERTAIN MUNICIPALITIES AND COUNTIES.

SECTION 2. Sections 271.9051(a), (b), and (c), Local Government Code, are amended to read as follows:

(a) This section applies only to a municipality or county that is authorized under this title to purchase real property or personal property that is not affixed to real property.

(b) In purchasing under this title any real property, personal property that is not affixed to real property, or services, if a municipality or county receives one or more competitive sealed bids from a bidder whose principal place of business is in the municipality or county and whose bid is within five percent of the lowest bid price received by the municipality or county from a bidder who is not a resident of the municipality or county, the municipality or county may enter into a contract for construction services in an amount of less than \$100,000 or a contract for other purchases in an amount of less than \$500,000 with:

1 (1) the lowest bidder; or

2 (2) the bidder whose principal place of business is in
3 the municipality or county if the governing body of the
4 municipality or county determines, in writing, that the local
5 bidder offers the municipality or county the best combination of
6 contract price and additional economic development opportunities
7 for the municipality or county created by the contract award,
8 including the employment of residents of the municipality or county
9 and increased tax revenues to the municipality or county.

10 (c) This section does not prohibit a municipality or county
11 from rejecting all bids.

12 SECTION 3. The change in law made by this Act applies only
13 to a contract for which the initial notice soliciting bids is given
14 on or after the effective date of this Act. A contract for which the
15 initial notice soliciting bids is given before the effective date
16 of this Act is governed by the law in effect when the initial notice
17 is given, and the former law is continued in effect for that
18 purpose.

19 SECTION 4. This Act takes effect immediately if it receives
20 a vote of two-thirds of all the members elected to each house, as
21 provided by Section 39, Article III, Texas Constitution. If this
22 Act does not receive the vote necessary for immediate effect, this
23 Act takes effect September 1, 2015.

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 408 passed the Senate on April 9, 2015, by the following vote: Yeas 21, Nays 10.

Secretary of the Senate

I hereby certify that S.B. No. 408 passed the House on May 19, 2015, by the following vote: Yeas 145, Nays 1, two present not voting.

Chief Clerk of the House

Approved:

Date

Governor