

# SENATE AMENDMENTS

2<sup>nd</sup> Printing

By: Bernal

H.B. No. 3193

A BILL TO BE ENTITLED

1 AN ACT

2 relating to consideration of location of a bidder's or offeror's  
3 principal place of business in awarding certain municipal  
4 contracts.

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

6 SECTION 1. Section 271.905, Local Government Code, is  
7 amended by adding Subsection (d) to read as follows:

8 (d) For the purpose of this section, if a local government  
9 is a municipality, the municipality may treat a bidder whose  
10 principal place of business is outside the municipality and in a  
11 county in which the municipality is located in the same manner as a  
12 bidder whose principal place of business is in the municipality.

13 SECTION 2. Section 271.9051, Local Government Code, is  
14 amended by adding Subsection (e) to read as follows:

15 (e) For the purpose of this section, a municipality may  
16 treat a bidder whose principal place of business is outside the  
17 municipality and in a county in which the municipality is located in  
18 the same manner as a bidder whose principal place of business is in  
19 the municipality.

20 SECTION 3. Subchapter Z, Chapter 271, Local Government  
21 Code, is amended by adding Section 271.9052 to read as follows:

22 Sec. 271.9052. CONSIDERATION OF LOCATION OF OFFEROR'S  
23 PRINCIPAL PLACE OF BUSINESS IN AWARDING CERTAIN MUNICIPAL  
24 CONTRACTS. (a) In purchasing as authorized under this title any

1 personal property that is not affixed to real property or services  
2 other than professional services, if a municipality that solicits  
3 requests for proposals receives one or more proposals from an  
4 offeror whose principal place of business is in the municipality or  
5 outside the municipality and in a county in which the municipality  
6 is located, the municipality may consider, as a percentage of the  
7 evaluation factors, an offeror's principal place of business.

8 (b) This section does not prohibit a municipality from  
9 rejecting all proposals.

10 (c) For the purpose of this section, a municipality may  
11 treat an offeror whose principal place of business is outside the  
12 municipality and in a county in which the municipality is located in  
13 the same manner as an offeror whose principal place of business is  
14 in the municipality.

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

ADOPTED

MAY 27 2015

*Atay Drew*  
Secretary of the Senate

By: Bernal / Menéndez

H.B. No. 3193

Substitute the following for H.B. No. 3193 :

By: *José Menéndez*

C.S. H.B. No. 3193

A BILL TO BE ENTITLED

1 AN ACT

2 relating to consideration of location of an offeror's principal  
3 place of business in awarding certain municipal contracts.

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

5 SECTION 1. Subchapter Z, Chapter 271, Local Government  
6 Code, is amended by adding Section 271.9052 to read as follows:

7 Sec. 271.9052. CONSIDERATION OF LOCATION OF OFFEROR'S  
8 PRINCIPAL PLACE OF BUSINESS IN AWARDING CERTAIN MUNICIPAL  
9 CONTRACTS. (a) This section applies only to a municipality that  
10 contains more than 75 percent of the population of a county with a  
11 population of 1.5 million or more.

12 (b) In purchasing as authorized under this title any  
13 personal property that is not affixed to real property or services  
14 other than professional services, if a municipality that solicits  
15 requests for proposals receives one or more proposals from an  
16 offeror whose principal place of business is in the municipality,  
17 the municipality may consider, as a percentage of the evaluation  
18 factors in accordance with Subsection (c), an offeror's principal  
19 place of business unless the contract is for construction services  
20 in an amount of \$100,000 or more.

21 (c) If a municipality elects to consider an offeror's  
22 principal place of business under Subsection (b) and scores an  
23 offeror's proposal on a 100-point scale, the municipality shall  
24 assign:

1           (1) 10 points to an offeror with a principal place of  
2 business in the municipality; or

3           (2) five points to an offeror who employs:

4                   (A) at least 20 percent of the offeror's  
5 employees in the municipality; or

6                   (B) at least 100 employees in the municipality.

7           (d) This section does not prohibit a municipality from  
8 rejecting any proposal.

9           SECTION 2. This Act takes effect immediately if it receives  
10 a vote of two-thirds of all the members elected to each house, as  
11 provided by Section 39, Article III, Texas Constitution. If this  
12 Act does not receive the vote necessary for immediate effect, this  
13 Act takes effect September 1, 2015.

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**May 28, 2015**

**TO:** Honorable Joe Straus, Speaker of the House, House of Representatives

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB3193** by Bernal (Relating to consideration of location of an offeror's principal place of business in awarding certain municipal contracts.), **As Passed 2nd House**

**No fiscal implication to the State is anticipated.**

**Local Government Impact**

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

**Source Agencies:**

**LBB Staff:** UP, KVe, SD, EK

**LEGISLATIVE BUDGET BOARD  
Austin, Texas**

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**May 21, 2015**

**TO:** Honorable Eddie Lucio Jr., Chair, Senate Committee on Intergovernmental Relations

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB3193** by Bernal (Relating to consideration of location of an offeror's principal place of business in awarding certain municipal contracts.), **Committee Report 2nd House, Substituted**

<b>No fiscal implication to the State is anticipated.</b>
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**Local Government Impact**

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

**Source Agencies:**

**LBB Staff:** UP, KVe, SD, EK

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**May 15, 2015**

**TO:** Honorable Eddie Lucio Jr., Chair, Senate Committee on Intergovernmental Relations

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB3193** by Bernal (Relating to consideration of location of a bidder's or offeror's principal place of business in awarding certain municipal contracts.), **As Engrossed**

**No fiscal implication to the State is anticipated.**

The bill would amend the Local Government Code to permit a municipality, who receives one or more proposals from an offeror whose principal place of business is in the municipality or outside the municipality and in a county in which the municipality is located, to consider the offeror's principal place of business as a percentage of the evaluation of factors. The bill does not prohibit a municipality from rejecting all proposals. The bill would specify the municipality could treat an offeror whose principal place of business is outside the municipality and in a county in which the municipality is located in the same manner as an offeror whose principal place of business is in the municipality.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:**

**LBB Staff:** UP, KVe, SD, EK

**LEGISLATIVE BUDGET BOARD  
Austin, Texas**

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**April 30, 2015**

**TO:** Honorable Carol Alvarado, Chair, House Committee on Urban Affairs

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB3193** by Bernal (Relating to consideration of location of a bidder's or offeror's principal place of business in awarding certain municipal contracts.), **Committee Report 1st House, Substituted**

**No fiscal implication to the State is anticipated.**

The bill would amend the Local Government Code to permit a municipality, who receives one or more proposals from an offeror whose principal place of business is in the municipality or outside the municipality and in a county in which the municipality is located, to consider the offeror's principal place of business as a percentage of the evaluation of factors. The bill does not prohibit a municipality from rejecting all proposals. The bill would specify the municipality could treat an offeror whose principal place of business is outside the municipality and in a county in which the municipality is located in the same manner as an offeror whose principal place of business is in the municipality.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:**

**LBB Staff:** UP, KVe, SD, EK

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**April 20, 2015**

**TO:** Honorable Carol Alvarado, Chair, House Committee on Urban Affairs

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB3193** by Bernal (Relating to consideration of location of an offeror's principal place of business in awarding certain municipal contracts.), **As Introduced**

**No fiscal implication to the State is anticipated.**

The bill would amend the Local Government Code to permit a municipality, who receives a proposal from an offeror whose principal place of business is in the municipality, to consider the offeror's contract if certain conditions exist. The bill does not prohibit a municipality from rejecting all proposals.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:**

**LBB Staff:** UP, KVe, SD, EK