

BILL ANALYSIS

Senate Research Center
89R18295 DNC-F

H.B. 223
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State Affairs
5/20/2025
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Under current provisions of the Local Government Code, municipalities are not required to competitively bid contracts for "personal or professional services." This exemption, while intended to streamline procurement of specialized expertise, has been broadly interpreted to include lobbying and government relations contracts—services that involve advocating before state or federal lawmakers using public funds.

Concerns have been raised about the lack of transparency and competition in how these lobbying contracts are awarded. In many cases, cities can spend tens or even hundreds of thousands of taxpayer dollars to hire lobbyists without any formal bid process, public input, or accountability.

H.B. 223 addresses this issue by amending Section 252.022(a)(4) of the Local Government Code to specify that lobbying, government relations, or similar services intended to influence lawmakers are no longer exempt from competitive procurement requirements. The bill preserves the exemption for all other legitimate personal or professional services but draws a clear line when it comes to using municipal funds to affect public policy.

The purpose of H.B. 223 is to ensure greater oversight, competition, and fiscal responsibility in how municipalities engage with state and federal governments. By requiring competitive bidding for lobbying contracts, the bill promotes fairer use of public funds and helps restore trust in local government contracting practices.

H.B. 223 amends current law relating to competitive requirements for a procurement by a municipality for lobbying, government relations, or similar services.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 252.022(a), Local Government Code, to provide that Chapter 252 (Purchasing and Contracting Authority of Municipalities) does not apply to certain expenditures, including an expenditure for a procurement for personal, professional, or planning services, other than lobbying, government relations, or similar services intended to influence state or federal lawmakers on behalf of a municipality.

SECTION 2. Makes application of Section 252.022(a), Local Government Code, as amended by this Act, prospective.

SECTION 3. Effective date: September 1, 2025.