

BILL ANALYSIS

H.B. 1556
By: VanDeaver
Public Education
Committee Report (Unamended)

BACKGROUND AND PURPOSE

It has been suggested that some purchasing requirements for school districts, including one related to aggregation, may result in longer bid processes than necessary for relatively small purchases. H.B. 1556 seeks to improve the efficiency and cost-effectiveness of district purchasing by revising certain purchasing requirements.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the commissioner of education in SECTION 1 of this bill.

ANALYSIS

H.B. 1556 amends the Education Code to extend requirements for public school districts relating to methods of contracting for the purchase of goods and services valued at \$50,000 or more to apply to purchasing goods and services of the same value and removes the specification that the minimum applicable value of \$50,000 is a value in the aggregate for each 12-month period. The bill includes a proprietary maintenance service and any other applicable item or service as provided by commissioner of education rule among the items or services that are exempt from these purchasing requirements if the item or service is available from only one source. The bill repeals a provision excluding from that exemption mainframe data-processing equipment and peripheral attachments with a single-item purchase price in excess of \$15,000. The bill revises the requirement for a district that enters into a certain type of purchasing contract to document any contract-related fee, including any management fee, by making the following changes:

- removing the limitation of the requirement to contracts valued at \$25,000 or more;
- removing as an applicable contract type a contract made by a method prescribed by statutory provisions relating to state and local government contracts for construction services; and
- making the requirement applicable to an interlocal contract.

The bill removes the deadline by which a district is required to evaluate and rank each proposal submitted in a process of vendor selection by means of competitive sealed proposals for a contract or purchase with a value of \$50,000 or more.

H.B. 1556 repeals provisions requiring each contract proposed to be made by a district for the purchase or lease of one or more school buses to be submitted to competitive bidding when such a contract is valued at \$20,000 or more and establishing that certain provisions relating to

purchasing contracts apply only to a campus and do not require the district to aggregate and jointly award purchasing contracts if a purchase is made at the campus level in a district with a student enrollment of 180,000 or more that has formally adopted a certain site-based decision-making plan.

H.B. 1556 repeals Sections 44.031(k), (l), and (m), Education Code.

EFFECTIVE DATE

September 1, 2019.