

## **BILL ANALYSIS**

Senate Research Center

H.B. 501  
By: Woolley (Lindsay)  
Intergovernmental Relations  
4-28-97  
Engrossed

### **DIGEST**

Currently, Section 791.012, Government Code, authorizes local governments that are parties to an interlocal contract for the performance of a service to apply the local law of a party as agreed by the parties. However, general law cities follow state law with respect to the purchase of goods and services and, as a result, there is no local law to apply. H.B. 501 would clarify the language of Section 791.012, Government Code, as it applies to the law which governs interlocal contracts.

### **PURPOSE**

As proposed, H.B. 501 outlines provisions regarding the law applicable to interlocal contracts made by local governments.

### **RULEMAKING AUTHORITY**

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

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 791.012, Government Code, as follows:

Sec. 791.012. New heading: LAW APPLICABLE TO CONTRACTING PARTIES. Authorizes local governments that are parties to an interlocal contract for the performance of a service to apply the law applicable to a party as agreed by the parties. Makes conforming and nonsubstantive changes.

SECTION 2. Emergency clause.  
Effective date: upon passage.