

BILL ANALYSIS

Senate Research Center

H.B. 1981
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Intergovernmental Relations
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Engrossed

DIGEST AND PURPOSE

Under current law, it is unclear whether counties may accept competitive bids electronically because such bids are required to be sealed. Modern identification and security measures for electronic communications make it possible to ensure the confidentiality of the bids. Electronic bidding should help streamline the processing of bids and vendors may benefit from the convenience. As proposed, H.B. 1981 authorizes electronic bidding and requires the county purchasing agent to adopt rules regarding electronic bidding.

RULEMAKING AUTHORITY

Rulemaking authority is granted to the county purchasing agent in SECTION 2 (Section 262.022(a), Local Government Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 262.022, Local Government Code, by adding Subdivision (10) to define “competitive bidding.”

SECTION 2. Amends Section 262.023(a), Local Government Code, to require the county purchasing agent, prior to receiving electronic bids, to adopt rules in conformance with Section 262.011(o) to ensure the identification, security, and confidentiality of such bids. Deletes language requiring all bids or proposals to be sealed.

SECTION 3. Amends Section 271.003, Local Government Code, by adding Subdivision (12) to define “competitive bidding.”

SECTION 4. Effective date: September 1, 2001.