

BILL ANALYSIS

Senate Research Center
77R10313 PAM-F

H.B. 2863
By: Farabee (Madla)
Intergovernmental Relations
5/9/2001
Engrossed

DIGEST AND PURPOSE

Legislation passed in 1999 raised from \$15,000 to \$25,000 the threshold for purchases at which a county must comply with competitive bidding or competitive proposal procedures. However, certain statutes within the Transportation and Local Government codes still make reference to the \$15,000 limit for certain expenditures. H.B. 2863 increases the threshold in relevant statutes to \$25,000.

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 271.054, Local Government Code, to provide that, before the governing body of an issuer may enter into a contract requiring an expenditure by or imposing an obligation or liability on the issuer, or on a subdivision of the issuer if the issuer is a county, of more than \$25,000, rather than \$15,000, the governing body is required to submit the proposed contract to competitive bidding.

SECTION 2. Amends Sections 252.312(b) and (c), Transportation Code, to make conforming changes.

SECTION 3. Effective date: upon passage or September 1, 2001.