

BILL ANALYSIS

Senate Research Center

H.B. 2528
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Business & Commerce
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Engrossed

DIGEST AND PURPOSE

Currently, there is some question as to whether school districts can participate in a political subdivision corporation to purchase electricity in the new restructured electricity market. Allowing school districts to aggregate could create savings for the school district. H.B. 2528 includes the formation of a political subdivision corporation as an additional method for a school district to receive the best value on contracts valued at \$25,000 or more.

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 44.031(a), Education Code, to include the formation of a political subdivision corporation under Section 304.001 (Aggregation by Political Subdivisions), Local Government Code, in the list of possible methods from which all school district contracts, except the purchase of produce or vehicle fuel, valued at \$25,000 or more in the aggregate for each 12-month period are required to be chosen to provide the best value for the district.

SECTION 2. Amends Section 304.001(a), Local Government Code, to include a school district in the definition of "political subdivision."

SECTION 3. Effective date: upon passage or September 1, 2003.