

BILL ANALYSIS

Senate Research Center
78R13331 MTB-F

C.S.S.B. 1752
By: Estes
State Affairs
4/29/2003
Committee Report (Substituted)

DIGEST AND PURPOSE

A reverse auction is an online bidding procedure that can last as short as an hour or as long as two weeks. The auction takes place at a previously scheduled time and Internet location. Multiple suppliers access the website to bid on projects, with the ability to see what others have bid and offer lower amounts. C.S.S.B. 1752 requires the Texas Building and Procurement Commission to use reverse auctions for ten percent of purchases.

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 2155.062(d), Government Code, to define “reverse auction procedure” for this subchapter, rather than section.

SECTION 2. Amends Subchapter B, Chapter 2155, Government Code, by adding Section 2155.085, as follows:

Sec. 2155.085. REVERSE AUCTION PROCEDURE. (a) Requires at least 10 percent of the dollar value of open market purchases, other than purchases of professional services, made by a state agency or the Texas Building and Procurement Commission (TBPC) on behalf of a state agency each fiscal year to be purchased using the reverse auction procedure.

(b) Requires a state agency, in September of each year, to submit to certain state officials a written justification if the agency did not comply with Subsection (a) during the preceding state fiscal year.

SECTION 3. Effective date: September 1, 2003.