

BILL ANALYSIS

Senate Research Center

H.B. 908
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Government Organization
5/19/2005
Committee Report (Amended)

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

H.B. 908 prohibits the use of reverse auctions in obtaining goods or services, including professional or consulting services subject to Chapter 2254, related to the construction, remodeling, repair, or maintenance of a building or public work. H.B. 908 deletes the language requiring the Texas Building and Procurement Commission (TBPC) to use reverse auctions at least 30 percent of the time and instead requires TBPC to use the reverse auction procedure when the procedure provides the best value to the state or all purchasing methods provide equal value to the state. H.B. 908 also adds language requiring TBPC to offer historically underutilized businesses assistance and training relating to the reverse auction procedure and advise historically underutilized businesses on contracts available using the reverse auction procedure. H.B. 908 adds new language requiring TBPC to set a goal of purchasing at least 20 percent of the dollar value of goods or services purchased by TBPC using the reverse auction procedure.

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, Government Code, by amending Subsections (a) and (d), and adding Subsection (e), as follows:

- (a) Provides that Subsection (e) is an exception to this section.
- (d) Defines "reverse auction procedure" in this subchapter, rather than this section.
- (e) Prohibits the Texas Building and Procurement Commission (TBPC) and other state agencies from using the reverse auction procedure in obtaining goods or services, including professional or consulting services subject to Chapter 2254, related to the construction, remodeling, repair, or maintenance of a building or other public work.

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

Sec. 2155.085. REVERSE AUCTION PROCEDURE. Sets forth specific requirements of TBPC in providing services under this section. Requires TBPC to set a goal of purchasing at least 20 percent of the dollar value of good or services purchased by TBPC using the reverse auction procedure. Requires TBPC, on or before December 1, 2006, to report to the governor, lieutenant governor, the speaker of the house of representatives, the chair of the Senate Finance Committee, and the chair of the House Appropriations Committee on the effectiveness of using the reverse auction procedure to purchase goods and services, including any cost savings realized by the state from using the procedure. Provides that this subsection expires September 1, 2007.

SECTION 3. Effective date: September 1, 2005.

SUMMARY OF COMMITTEE CHANGES

Committee Amendment No. __:

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Amends Subsection (a) in Section 1 (Section 2155.062, Government Code), by deleting "except as provided by Subsection (e), in," replacing "[In]" with "In," and striking Subsection (e).