

## **BILL ANALYSIS**

Senate Research Center

H.B. 3648  
By: Harper-Brown (Paxton)  
Government Organization  
5/15/2013  
Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

H.B. 3648 amends current law relating to the awarding of governmental contracts.

### **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 Subchapter B, Chapter 2155, Government Code, by adding Section 2155.088, as follows:

Sec. 2155.088. MATERIAL CHANGES TO CONTRACT SOLICITATION TERMS.

(a) Requires that the performance of a contract for goods or services awarded under this chapter, notwithstanding any other law, substantially comply with the terms contained in the written solicitation for the contract and the terms considered in evaluating responses to the solicitation, including terms regarding cost of materials or labor, duration, price, schedule, and scope.

(b) Requires the governing body of a state agency, after the evaluation of responses to a solicitation is completed but before a contract for goods or services is awarded under this chapter, if applicable, to hold a meeting to consider any proposed material change to a term described by Subsection (a) before the agency approves the change. Provides that for purposes of this section, a material change includes any change to a term described by Subsection (a) that has the effect of extending the length of or postponing the completion of the contract for six months or more, or increasing the total consideration to be paid under the contract by at least 10 percent, including by substituting certain goods, materials, products, or services.

SECTION 2. Amends Section 2252.002, Government Code, as follows:

Sec. 2252.002. AWARD OF CONTRACT TO NONRESIDENT BIDDER. Prohibits a governmental entity from awarding a governmental contract to a nonresident bidder unless the nonresident underbids the lowest bid submitted by a responsible resident bidder by an amount that is not less than the amount by which a resident bidder would be required to underbid the nonresident bidder to obtain a comparable contract in the state in which the nonresident's principal place of business is located, or a state in which the nonresident is a resident manufacturer. Makes nonsubstantive changes.

SECTION 3. Provides that Section 2155.088, Government Code, as added by this Act, applies only to a contract for which a state agency first advertises or otherwise solicits bids, proposals, offers, or qualifications or makes a similar solicitation on or after the effective date of this Act.

SECTION 4. Effective date: upon passage or September 1, 2013.