

BILL ANALYSIS

Senate Research Center

S.B. 1720
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Intergovernmental Relations
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Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

During the 81st Legislative Session a bill was passed that amended the Local Government Code to increase the counties' expenditure amount for competitive bidding from \$25,000 to \$50,000, but the purchasing and bidding guidelines for the purchasing of equipment, materials, and supplies for the county road department are actually outlined in the Transportation Code.

S.B. 1720 would amend the Transportation Code to bring uniformity to the competitive bidding process for counties as required in statute and will raise the monetary threshold for county road department expenditures from \$25,000 to \$50,000. This bill does not prevent the county from receiving competitive bids for equipment, materials, and supplies for the county road department if the purchase is in an amount of less than \$50,000. S.B. 1720 will simply ensure that the competitive bidding amount for certain expenditures for counties is in line with the competitive bidding amount found in the Local Government Code. (Original Author's/Sponsor's Statement of Intent)

S.B. 1720 amends current law relating to the threshold contract amount at which a county is required to engage in a competitive purchasing procedure for certain 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 Sections 252.312(b) and (c), Transportation Code, as follows:

(b) Authorizes a purchase in an amount of \$50,000 or less, rather than \$25,000 or less, if the county road engineer so recommends and the commissioners court considers it to be in the best interest of the county, to be made through negotiation by the commissioners court or the court's authorized representative on requisition to be approved by the commissioners court or the county auditor without advertising for competitive bids.

(c) Prohibits a purchase from being divided or reduced to avoid the competitive bidding requirement on a purchase that would otherwise cost more than \$50,000, rather than \$25,000.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2019.