

BILL ANALYSIS

Senate Research Center
77R12482 SGA-F

H.B. 3413
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Engrossed

DIGEST AND PURPOSE

Under current law, a public housing authority must hire an architect to design plans for public housing projects in order to request competitive bids. Once a design has been completed, the housing authority goes through a competitive bidding process for construction of the designed project. The housing authority must pay all up front costs of the design work, and risks losing that money if the project is not built. Current law does not allow housing authorities to accept bids that include architectural plans and construction costs in one proposal, also known as turn-key bids. H.B. 3413 authorizes the use of alternative bidding methods for an activity of a public housing authority to develop a mixed-finance housing project as defined by federal law.

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 392.052, Local Government Code, by adding Subsection (h) to provide that competitive bidding laws, including Chapter 271, do not apply to an authority activity to develop a mixed-finance housing project as defined by 42 U.S.C. Section 1437z-7, if the housing project otherwise complies with the procurement requirements imposed by federal law and regulations.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2001.