

BILL ANALYSIS

Senate Research Center

S.B. 1752
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State Affairs
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As Filed

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. As proposed, S.B. 1752 requires the Texas Building and Procurement Commission to use reverse auctions for ten percent of purchases in the 2003-2005 biennium, twenty percent of purchases during the 2005-2007 biennium, and thirty percent of purchases thereafter.

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” in this subchapter, rather than section.

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

Sec. 2155.085. REVERSE AUCTION PROCEDURE. (a) Requires at least 30 percent of the dollar value of goods purchased by the Texas Building and Procurement Commission (TBPC) be purchased using the reverse auction procedure.

(b) Requires at least 10 percent of the dollar value of goods purchased by TBPC, notwithstanding Subsection (a), during the state fiscal biennium that begins September 1, 2003, to be purchased using the reverse auction procedure. Provides that this subsection expires September 1, 2005.

(c) Requires at least 20 percent of the dollar value of goods purchased by TBPC notwithstanding Subsection (a), during the state fiscal biennium that begins September 1, 2005, to be purchased using the reverse auction procedure. Provides that this subsection expires September 1, 2007.

SECTION 3. Effective date: September 1, 2003.