

BILL ANALYSIS

Senate Research Center
78R2882 AKH-D

S.B. 733
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Intergovernmental Relations
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DIGEST AND PURPOSE

Currently, local governments may purchase items under competitive bidding procedures primarily in three ways: (1.) posting an invitation to bid; (2.) purchasing through the state from approved vendors; and (3.) purchasing from a local government cooperative. As proposed, S.B. 733 allows local governments to purchase an item from a local vendor without following competitive purchasing procedures if the vendor's price is equal to or less than the price provided by the state or cooperative.

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 Chapter 271Z, Local Government Code, by adding Section 271.907, as follows:

Sec. 271.907. PURCHASE FROM LOCAL VENDOR. (a) Defines "local vendor."

(b) Authorizes a local government, as defined by Section 271.081, to purchase an item from a local vendor without following a competitive purchasing procedure if that vendor's price is equal to or less than the price at which the local government could purchase the item under a government purchasing program of this state such as those described by Subchapter D, F, or G or by Section 2155.504, Government Code (Certain Bids and Contracts Prohibited).

(c) Provides that a purchase under this section satisfies any law requiring the local government to purchase an item under a competitive purchasing procedure.

SECTION 2. Effective date: September 1, 2003.