

## **BILL ANALYSIS**

Senate Research Center

H.B. 119  
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Government Organization  
4/23/2007  
Engrossed

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

Current law states that competitive bidding is not required for a purchase by a state agency if the purchase does not exceed \$2,000.

H.B. 119 provides that competitive bidding is not required for a purchase by a state agency if the purchase does not exceed \$5,000 and is not made under written contract. The bill also requires a catalog purchase or lease that exceeds \$5,000 or that is made under a written contract to be based on an evaluation of at least three catalog offers, and if three catalog offers are not evaluated, the bill requires the Texas Building and Procurement Commission or other state agency to document the reasons for that fact.

### **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 2155.132(e), Government Code, to provide that competitive bidding, whether formal or informal, is not required for a purchase by a state agency if the purchase does not exceed \$5,000 and is not made under a written contract, rather than \$2,000 or a greater amount prescribed by Texas Building and Procurement Commission (commission) rule.

SECTION 2. Amends Section 2157.0611, Government Code, as follows:

Sec. 2157.0611. REQUIREMENT TO EVALUATE THREE OFFERS WHEN POSSIBLE. Requires a catalog purchase or lease that exceeds \$5,000, rather than \$2,000, or that is made under a written contract, rather than a greater amount prescribed by commission rule, to be based, when possible, on an evaluation of at least three catalog offers made to the commission or other state agency by catalog information system vendors. Requires the commission or other agency, if at least three catalog offers are not evaluated by the commission or other state agency before a purchase or lease is made that exceeds the threshold amount or is made under a written contract, to document the reasons for that fact before making the purchase or lease under Section 2157.063 (Direct Purchase or Lease by State Agency; Negotiation of Additional Terms).

SECTION 3. Makes application of this Act prospective.

SECTION 4. Effective date: September 1, 2007.