

BILL ANALYSIS

Senate Research Center
84R13274 SCL-F

S.B. 1998
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Intergovernmental Relations
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

In order to spur economic growth in Texas cities, S.B. 1998 authorizes local governments to consider the location of the company when evaluating a government contract. The bill allows a municipal government to add a scoring criteria to a contract for businesses that are located in that municipality. The goal is to create more local jobs and support local businesses.

This would only apply to contracts in an amount of less than \$100,000 for services and less than \$500,000 for other purchases. The bill accomplishes this by adding language in Chapter 271 of the Local Government Code.

As proposed, S.B. 1998 amends current law relating to consideration of location of an offeror's principal place of business in awarding certain municipal contracts.

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 Subchapter Z, Chapter 271, Local Government Code, by adding Section 271.9052, as follows:

Sec. 271.9052. CONSIDERATION OF LOCATION OF OFFEROR'S PRINCIPAL PLACE OF BUSINESS IN AWARDING CERTAIN MUNICIPAL CONTRACTS. (a) Authorizes a municipality, in purchasing as authorized under this title any personal property that is not affixed to real property or services other than professional services, if a municipality that solicits requests for proposals receives one or more proposals from an offeror whose principal place of business is in the municipality, to consider, as a percentage of the evaluation factors, an offeror's principal place of business if the contract is for services in an amount of less than \$100,000 or a contract for other purchases in an amount of less than \$500,000.

(b) Provides that this section does prohibit a municipality from rejecting all proposals.

SECTION 2. Effective date: upon passage or September 1, 2015.