

BILL ANALYSIS

Senate Research Center
87R3050 MLH-F

H.B. 1496
By: VanDeaver (Lucio)
Education
5/5/2021
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The 80th Legislature passed H.B. 273, which intended to provide transparency to public money spent on fees to purchasing cooperatives. The law mainly applies to school districts, and requires the reporting of fees on any contract with a purchasing cooperative in excess of \$25,000. However, the law was not clear on exactly which fees should be reported, leading to widespread confusion over the extent of the requirement.

H.B. 1496 clarifies the intent of the law by specifying that the reporting requirement applies only to fees paid by school districts. This would ease the administrative burden related to reporting of fees paid between purchasing cooperatives and vendors, which do not involve public money.

H.B. 1496 amends current law relating to requiring school districts to report management fees under certain cooperative purchasing 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 Section 44.0331(a), Education Code, as follows:

- (a) Requires a school district that enters into a purchasing contract valued at \$25,000 or more under Section 44.031(a)(5) (relating to certain methods by which school district contracts for construction services are required to be made to provide best value for the district), under Subchapter F (Cooperative Purchasing Program), Chapter 271 (Purchasing and Contracting Authority of Municipalities, Counties, and Certain Other Local Governments), Local Government Code, or under any other cooperative purchasing program authorized for school districts by law to document any contract-related fee, including any management fee, paid by or to the district and the purpose of each fee under the contract, rather than including any management fee and the purpose of each fee under the contract.

SECTION 2. Effective date: September 1, 2021.