

BILL ANALYSIS

Senate Research Center
88R22935 ANG-F

H.B. 3507
By: Holland (Nichols)
Water, Agriculture & Rural Affairs
5/5/2023
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, conservation and reclamation districts are required to publish a notice in a newspaper to solicit bids for contracts over \$75,000 and to solicit bids from at least three bidders for contracts over \$25,000 but not more than \$75,000. For a contract of not more than \$25,000, the district is not required to advertise or seek competitive bids. These thresholds were established over 15 years ago and were last updated to reflect increased construction costs in 2013. H.B. 3507 seeks to further update the contract values that trigger the newspaper posting requirement and certain competitive bidding requirements.

H.B. 3507 amends current law relating to contracts for the construction, repair, and renovation of certain conservation and reclamation district facilities.

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 Sections 49.273(d) and (e), Water Code, as follows:

(d) Requires the governing board of a district (board), for contracts over \$150,000, rather than over \$75,000, to advertise the letting of the contract, including the general conditions, time, and place of opening of sealed bids.

(e) Requires the board, for contracts over \$25,000 but not more than \$150,000, rather than not more than \$75,000, to solicit written competitive bids on uniform written specifications from at least three bidders.

SECTION 2. Makes application of Section 49.273, Water Code, as amended by this Act, prospective.

SECTION 3. Effective date: September 1, 2023.