

1 corporation under Section 304.001, Local Government Code.

2 SECTION 2. Subchapter B, Chapter 44, Education Code, is
3 amended by adding Section 44.0313 to read as follows:

4 Sec. 44.0313. PROCEDURES FOR ELECTRONIC BIDS OR PROPOSALS.

5 (a) A school district may receive bids or proposals under this
6 chapter through electronic transmission if the board of trustees of
7 the school district adopts rules to ensure the identification,
8 security, and confidentiality of electronic bids or proposals and
9 to ensure that the electronic bids or proposals remain effectively
10 unopened until the proper time.

11 (b) Notwithstanding any other provision of this chapter, an
12 electronic bid or proposal is not required to be sealed. A
13 provision of this chapter that applies to a sealed bid or proposal
14 applies to a bid or proposal received through electronic
15 transmission in accordance with the rules adopted under Subsection
16 (a).

17 SECTION 3. Section 262.003(a), Local Government Code, is
18 amended to read as follows:

19 (a) Any law that requires a county to follow a competitive
20 procurement [~~bidding~~] procedure in making a purchase requiring the
21 expenditure of \$50,000 [~~\$25,000~~] or less does not apply to the
22 purchase of an item available for purchase from only one supplier.

23 SECTION 4. Section 262.023(a), Local Government Code, is
24 amended to read as follows:

25 (a) Before a county may purchase one or more items under a
26 contract that will require an expenditure exceeding \$50,000
27 [~~\$25,000~~], the commissioners court of the county must:

1 (1) comply with the competitive bidding or competitive
2 proposal procedures prescribed by this subchapter;

3 (2) use the reverse auction procedure, as defined by
4 Section 2155.062(d), Government Code, for purchasing; or

5 (3) comply with a method described by Subchapter H,
6 Chapter 271.

7 SECTION 5. Section 262.0245, Local Government Code, is
8 amended to read as follows:

9 Sec. 262.0245. COMPETITIVE PROCUREMENT ~~[BIDDING]~~
10 PROCEDURES ADOPTED BY COUNTY PURCHASING AGENTS. A county
11 purchasing agent shall adopt procedures that provide for
12 competitive procurement ~~[bidding]~~, to the extent practicable under
13 the circumstances, for the county purchase of an item ~~[under a~~
14 ~~contract]~~ that is not subject to competitive procurement ~~[bidding~~
15 ~~under Section 262.023]~~.

16 SECTION 6. Section 271.024, Local Government Code, is
17 amended to read as follows:

18 Sec. 271.024. COMPETITIVE PROCUREMENT ~~[BIDDING]~~ PROCEDURE
19 APPLICABLE TO CONTRACT. If a governmental entity is required by
20 statute to award a contract for the construction, repair, or
21 renovation of a structure, road, highway, or other improvement or
22 addition to real property on the basis of competitive bids, and if
23 the contract requires the expenditure of more than \$50,000
24 ~~[\$25,000]~~ from the funds of the entity, the bidding on the contract
25 must be accomplished in the manner provided by this subchapter.

26 SECTION 7. Section 271.054, Local Government Code, is
27 amended to read as follows:

1 Sec. 271.054. COMPETITIVE PROCUREMENT ~~[BIDDING]~~
2 REQUIREMENT. Before the governing body of an issuer may enter into
3 a contract requiring an expenditure by or imposing an obligation or
4 liability on the issuer, or on a subdivision of the issuer if the
5 issuer is a county, of more than \$50,000 [~~\$25,000~~], the governing
6 body must submit the proposed contract to competitive procurement
7 ~~[bidding]~~.

8 SECTION 8. Section 271.153(a), Local Government Code, is
9 amended to read as follows:

10 (a) The total amount of money awarded in an adjudication
11 brought against a local governmental entity for breach of a
12 contract subject to this subchapter is limited to the following:

13 (1) the balance due and owed by the local governmental
14 entity under the contract as it may have been amended, including any
15 amount owed as compensation for the increased cost to perform the
16 work as a direct result of owner-caused delays or acceleration;

17 (2) the amount owed for change orders or additional
18 work the contractor is directed to perform by a local governmental
19 entity in connection with the contract; ~~[and]~~

20 (3) reasonable and necessary attorney's fees that are
21 equitable and just; and

22 (4) interest as allowed by law.

23 SECTION 9. Section 271.9051(b), Local Government Code, is
24 amended to read as follows:

25 (b) In purchasing under this title any real property,
26 personal property that is not affixed to real property, or
27 services, if a municipality receives one or more competitive sealed

1 bids from a bidder whose principal place of business is in the
2 municipality and whose bid is within five percent of the lowest bid
3 price received by the municipality from a bidder who is not a
4 resident of the municipality, the municipality may enter into a
5 contract for an expenditure of less than \$100,000 with:

- 6 (1) the lowest bidder; or
7 (2) the bidder whose principal place of business is in
8 the municipality if the governing body of the municipality
9 determines, in writing, that the local bidder offers the
10 municipality the best combination of contract price and additional
11 economic development opportunities for the municipality created by
12 the contract award, including the employment of residents of the
13 municipality and increased tax revenues to the municipality.

14 SECTION 10. The heading to Section 281.047, Local
15 Government Code, is amended to read as follows:

16 Sec. 281.047. CONTRACTS OVER \$50,000 [~~\$10,000~~].

17 SECTION 11. Section 281.047(a), Local Government Code, is
18 amended to read as follows:

19 (a) This section applies to a contract that is for materials
20 for, or construction of, facilities and that is for an amount
21 greater than \$50,000 [~~\$10,000~~].

22 SECTION 12. Section 351.137(b), Local Government Code, is
23 amended to read as follows:

24 (b) Construction contracts requiring an expenditure of more
25 than \$50,000 [~~\$15,000~~] may be made only after competitive bidding
26 as provided by Subchapter B, Chapter 271.

27 SECTION 13. Section 375.221, Local Government Code, is

President of the Senate

Speaker of the House

I certify that H.B. No. 987 was passed by the House on April 15, 2009, by the following vote: Yeas 146, Nays 1, 1 present, not voting; and that the House concurred in Senate amendments to H.B. No. 987 on May 31, 2009, by the following vote: Yeas 143, Nays 0, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 987 was passed by the Senate, with amendments, on May 21, 2009, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor