

AN ACT

relating to the use of the reverse auction procedure by the Texas Building and Procurement Commission.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 2155.062, Government Code, is amended by amending Subsections (a) and (d) and adding Subsection (e) to read as follows:

(a) Except as provided by Subsection (e), in [In] purchasing goods and services the commission may use, but is not limited to, the:

(1) contract purchase procedure;

(2) multiple award contract procedure, including under any schedules developed under Subchapter I;

(3) open market purchase procedure; or

(4) reverse auction procedure.

(d) In this subchapter [~~section~~], "reverse auction procedure" means:

(1) a real-time bidding process usually lasting less than one hour and taking place at a previously scheduled time and Internet location, in which multiple suppliers, anonymous to each other, submit bids to provide the designated goods or services; or

(2) a bidding process usually lasting less than two weeks and taking place during a previously scheduled period and at a previously scheduled Internet location, in which multiple

1 suppliers, anonymous to each other, submit bids to provide the
2 designated goods or services.

3 (e) The commission and other state agencies may not use the
4 reverse auction procedure in purchasing services related to the
5 construction, remodeling, repair, or maintenance of a building or
6 other public work.

7 SECTION 2. Subchapter B, Chapter 2155, Government Code, is
8 amended by adding Section 2155.085 to read as follows:

9 Sec. 2155.085. REVERSE AUCTION PROCEDURE. (a) At least 10
10 percent of the dollar value of open market purchases, other than
11 purchases of professional services as defined by Section 2254.002,
12 that are made by a state agency or by the commission on behalf of a
13 state agency each state fiscal year, and for which the reverse
14 auction procedure may be used, shall be purchased using the reverse
15 auction procedure.

16 (b) In September of each year, a state agency shall submit
17 to the governor, the lieutenant governor, and the speaker of the
18 house of representatives a written justification if the agency did
19 not comply with Subsection (a) during the preceding state fiscal
20 year.

21 SECTION 3. This Act takes effect September 1, 2003.

President of the Senate

Speaker of the House

I certify that H.B. No. 3242 was passed by the House on May 2, 2003, by a non-record vote; and that the House concurred in Senate amendments to H.B. No. 3242 on May 26, 2003, by a non-record vote.

Chief Clerk of the House

I certify that H.B. No. 3242 was passed by the Senate, with amendments, on May 24, 2003, by a viva-voce vote.

Secretary of the Senate

APPROVED: _____

Date

Governor