1-1 By: Rodriguez S.B. No. 408 (In the Senate - Filed January 29, 2015; February 4, 2015, read first time and referred to Committee on Intergovernmental Relations; March 11, 2015, reported favorably by the following 1-2 1-3 1-4 1-5 vote: Yeas 7, Nays 0; March 11, 2015, sent to printer.)

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## COMMITTEE VOTE

7		Yea	Nay	Absent	PNV
-8	Lucio	Х			
-9	Bettencourt	Х			
-10	Campbell	Х			
-11	Garcia	Х			
-12	Menendez	Х			
·13	Nichols	Х			
-14	Taylor of Galveston	Х			

## A BILL TO BE ENTITLED AN ACT

1-17 1-18 relating to consideration of a bidder's principal place of business in awarding certain county contracts. BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 1-19

1-20 SECTION 1. The heading to Section 271.9051. Local Government Code, is amended to read as follows: 1-21

1-22 1-23 Sec. 271.9051. CONSIDERATION OF LOCATION OF BIDDER'S PRINCIPAL PLACE OF BUSINESS IN CERTAIN MUNICIPALITIES AND COUNTIES. 1-24 SECTION 2. Sections 271.9051(a), (b), and (c), Local 1-25 Government Code, are amended to read as follows:

(a) This section applies only to a municipality <u>or county</u> that is authorized under this title to purchase real property or personal property that is not affixed to real property. 1-26 1-27 1-28

1-29 (b) In purchasing under this title any real property, personal property that is not affixed to real property, or services, if a municipality <u>or county</u> receives one or more competitive sealed bids from a bidder whose principal place of business is in the municipality <u>or county</u> and whose bid is within 1-30 1-31 1-32 1-33 five percent of the lowest bid price received by the municipality or 1-34 county from a bidder who is not a resident of the municipality or 1-35 <u>county</u>, the municipality <u>or county</u> may enter into a contract for construction services in an amount of less than \$100,000 or a contract for other purchases in an amount of less than \$500,000 1-36 1-37 1-38 1-39 with:

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(1)the lowest bidder; or

1-41 the bidder whose principal place of business is in (2) the municipality <u>or county</u> if the governing body of the municipality <u>or county</u> determines, in writing, that the local bidder offers the municipality <u>or county</u> the best combination of 1-42 1-43 1-44 1-45 contract price and additional economic development opportunities for the municipality <u>or county</u> created by the contract award, including the employment of residents of the municipality <u>or county</u> 1-46 1-47 and increased tax revenues to the municipality or county. 1-48

1-49 This section does not prohibit a municipality or county (c) 1-50 from rejecting all bids. SECTION 3. The change in law made by this Act applies only

1-51 1-52 to a contract for which the initial notice soliciting bids is given 1-53 on or after the effective date of this Act. A contract for which the 1-54 initial notice soliciting bids is given before the effective date of this Act is governed by the law in effect when the initial notice 1-55 1-56 is given, and the former law is continued in effect for that 1-57 purpose.

SECTION 4. 1-58 This Act takes effect immediately if it receives 1-59 a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this 1-60 Act does not receive the vote necessary for immediate effect, this 1-61

S.B. No. 408

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2-1 Act takes effect September 1, 2015.
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