

Chapter 228

S.B. No. 1179

AN ACT

relating to purchasing and contracting practices of coordinated county transportation authorities.

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

SECTION 1. Section 460.406(c), Transportation Code, is amended to read as follows:

(c) The board of directors may authorize the negotiation of a contract without competitive sealed bids or proposals if:

(1) the aggregate amount involved in the contract is less than the greater of:

(A) \$50,000; or

(B) the amount of an expenditure under a contract that would require a municipality to comply with Section 252.021(a), Local Government Code;

(2) the contract is for construction for which not more than one bid or proposal is received;

(3) the contract is for services or property for which there is only one source or for which it is otherwise impracticable to obtain competition, including:

(A) items that are available from only one source because of patents, copyrights, secret processes, or natural monopolies;

(B) gas, water, and other utility services; and

(C) captive replacement parts or components for

1 equipment;

2 (4) the contract is to respond to an emergency for
3 which the public exigency does not permit the delay incident to the
4 competitive process;

5 (5) the contract is for personal, ~~[or]~~ professional,
6 or planning services ~~[or services for which competitive bidding is~~
7 ~~precluded by law]~~;

8 (6) the contract, without regard to form and which may
9 include bonds, notes, loan agreements, or other obligations, is for
10 the purpose of borrowing money or is a part of a transaction
11 relating to the borrowing of money, including:

12 (A) a credit support agreement, such as a line or
13 letter of credit or other debt guaranty;

14 (B) a bond, note, debt sale or purchase, trustee,
15 paying agent, remarketing agent, indexing agent, or similar
16 agreement;

17 (C) an agreement with a securities dealer,
18 broker, or underwriter; and

19 (D) any other contract or agreement considered by
20 the board of directors to be appropriate or necessary in support of
21 the authority's financing activities;

22 (7) the contract is for work that is performed and paid
23 for by the day as the work progresses;

24 (8) the contract is for the lease or purchase of an
25 interest in land;

26 (9) the contract is for the purchase of personal
27 property sold:

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1 (A) at an auction by a state licensed auctioneer;

2 (B) at a going out of business sale held in
3 compliance with Subchapter F, Chapter 17, Business & Commerce Code;
4 or

5 (C) by a political subdivision of this state, a
6 state agency, or an entity of the federal government;

7 (10) the contract is for services performed by persons
8 who are blind or have severe disabilities;

9 (11) the contract is for the purchase of electricity;

10 (12) the contract is one for an authority project and
11 awarded for alternate project delivery using the procedures,
12 requirements, and limitations under Subchapters E, F, G, H, and I,
13 Chapter 2269, Government Code; or

14 (13) the contract is for fare enforcement officer
15 services under Section 460.1092.

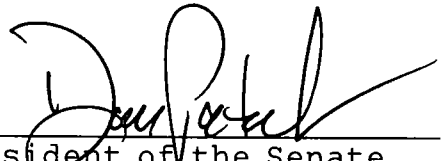
16 SECTION 2. (a) The changes in law made by this Act apply
17 only to a contract or construction project for which a governing
18 body of a coordinated county transportation authority created under
19 Chapter 460, Transportation Code, first advertises or otherwise
20 requests bids, proposals, offers, or qualifications, or makes a
21 similar solicitation, on or after the effective date of this Act.

22 (b) A contract or construction project for which a governing
23 body of a coordinated county transportation authority created under
24 Chapter 460, Transportation Code, first advertises or otherwise
25 requests bids, proposals, offers, or qualifications, or makes a
26 similar solicitation, before the effective date of this Act is
27 governed by the law as it existed immediately before the effective

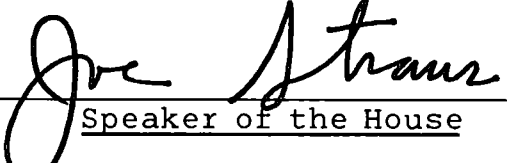
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1 date of this Act, and that law is continued in effect for that
2 purpose.

3 SECTION 3. This Act takes effect immediately if it receives
4 a vote of two-thirds of all the members elected to each house, as
5 provided by Section 39, Article III, Texas Constitution. If this
6 Act does not receive the vote necessary for immediate effect, this
7 Act takes effect September 1, 2017. _____

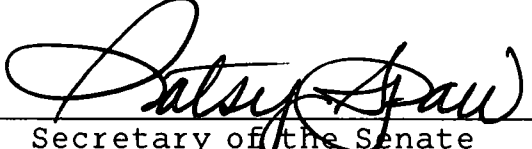


President of the Senate



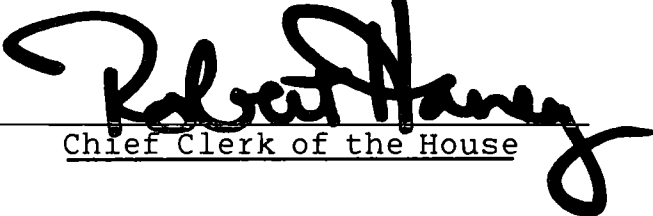
Speaker of the House

I hereby certify that S.B. No. 1179 passed the Senate on
April 19, 2017, by the following vote: Yeas 31, Nays 0. _____



Secretary of the Senate

I hereby certify that S.B. No. 1179 passed the House on
May 19, 2017, by the following vote: Yeas 144, Nays 0, two
present not voting. _____



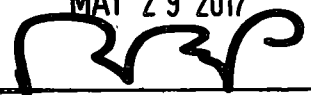
Chief Clerk of the House

Approved:

Date

Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
8:00 PM O'CLOCK

MAY 29 2017


Secretary of State

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 8, 2017

TO: Honorable Geanie W. Morrison, Chair, House Committee on Transportation

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB1179 by Nelson (Relating to purchasing and contracting practices of coordinated county transportation authorities.), **As Engrossed**

No fiscal implication to the State is anticipated.

The bill would amend the Transportation Code relating to the negotiation of contracts without competitive sealed bids or proposals. The bill would clarify that items from only one source because of patents, copyrights, secret processes, or natural monopolies (i.e., gas, water and other utility services, and captive replacement parts or components for equipment) may be purchased without competitive sealed bids or proposals.

Local Government Impact

According to Denton County Transportation Authority, no fiscal impact is anticipated.

Source Agencies:

LBB Staff: UP, AG, GG, BM

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 6, 2017

TO: Honorable Robert Nichols, Chair, Senate Committee on Transportation

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB1179 by Nelson (Relating to purchasing and contracting practices of coordinated county transportation authorities.), **Committee Report 1st House, Substituted**

No fiscal implication to the State is anticipated.

The bill would amend the Transportation Code relating to the negotiation of contracts without competitive sealed bids or proposals. The bill would clarify that items from only one source because of patents, copyrights, secret processes, or natural monopolies (i.e., gas, water and other utility services, and captive replacement parts or components for equipment) may be purchased without competitive sealed bids or proposals.

Local Government Impact

According to Denton County Transportation Authority, no fiscal impact is anticipated.

Source Agencies:

LBB Staff: UP, AG, GG, BM

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 4, 2017

TO: Honorable Robert Nichols, Chair, Senate Committee on Transportation

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB1179 by Nelson (Relating to purchasing and contracting practices of coordinated county transportation authorities.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend the Transportation Code relating to the negotiation of contracts without competitive sealed bids or proposals. The bill would clarify that items from only one source because of patents, copyrights, secret processes, or natural monopolies (i.e., gas, water and other utility services, and captive replacement parts or components for equipment) may be purchased without competitive sealed bids or proposals.

Local Government Impact

According to Denton County Transportation Authority, no fiscal impact is anticipated.

Source Agencies:

LBB Staff: UP, AG, GG, BM