

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:

- 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

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