

CHAPTER 243

H.B. No. 1100

AN ACT

relating to a preference for a resident bidder when two or more identical bids are submitted for a city or district contract.

*Be it enacted by the Legislature of the State of Texas:*

SECTION 1. Section 1, Chapter 116, Acts of the 56th Legislature, Regular Session, 1959 (Article 2367a, Vernon's Texas Civil Statutes), is amended to read as follows:

Sec. 1. In all cases where bidding is required and where two or more responsible bidders submit the lowest and best bids in connection with a proposed city or district contract and these bids are identical in both amount and nature, the governing body of the city or district shall enter into a contract with only one of the responsible bidders and reject all other bids. *If only one of the bidders submitting the lowest and best bids is a resident of the city or district, that bidder shall be selected. If two or more of the bidders submitting the lowest and best bids are residents of the city or district, one of those bidders shall be selected by the casting of lots. In all other cases, [The] one of the bidders submitting the lowest and best bids [bidder]* shall be selected by the casting of lots. The casting of lots shall be in such a manner as shall be prescribed by the Mayor or governing body of the district, as the case may be, and shall be conducted in the presence of the governing body of the city or district at which time all qualified bidders or their legal representatives may also be present. Nothing herein shall prohibit the rejection of all bids by the awarding authority.

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**SECTION 2.** The changes made by this Act to Section 1, Chapter 116, Acts of the 56th Legislature, Regular Session, 1959 (Article 2367a, Vernon's Texas Civil Statutes), relating to a preference for certain resident bidders, apply only to contracts for which the notice soliciting bids is first given on or after the effective date of this Act. Contracts for which the notice soliciting bids is first given before the effective date of this Act are governed by the law in effect at the time that notice is given, and the former law is continued in effect for this purpose.

**SECTION 3.** This Act takes effect September 1, 1987.

**SECTION 4.** The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended.

Passed by the House on April 23, 1987, by a non-record vote. Passed by the Senate on May 14, 1987, by the following vote: Yeas 30, Nays 0.

Approved May 28, 1987.

Effective Sept. 1, 1987.