



HOUSE REPUBLICAN STAFF ANALYSIS

Bill: House File 2273
Committee: Agriculture
Date: February 15, 2010
Staff: Lew Olson (1-3096)
Ranking Member: Representative Rayhons

Drainage Ditch/Levee Work Let-Bid Notification Threshold

House File 2273 proposes to increase the minimum amount (from \$15,00 to \$20,000) of a let bid for work on a drainage ditch or levees above which the contract must be noticed and advertised in a newspaper in the county where the work will occur. The bill also clarifies existing language concerning bidder financial security and lowers the amount of such financial bid security from 10% to 5% of the amount bid and eliminates a bid security maximum amount of \$10,000. The bill includes an effective upon enactment provision. The bill passed the House Agriculture Committee on Tuesday, February 9, 2010, by a unanimous 2-0 vote.

Summary of Action

The House Agriculture Committee **PASSED** HF 2273 on February 9, 2010 by a unanimous 20-0 vote.

Section by Section Analysis

Sections 1 & 3 – Minimum Bid Amount that Triggers Advertisement in Newspaper These sections increase the minimum amount (from \$15,00 to \$20,000) of a bid for work on a drainage ditch or levees above which the contract must be noticed and advertised in a newspaper in the county where the work will occur. Section 1 also clarifies existing language concerning bidder financial security by eliminating redundant language already existing in the Code and instead includes a reference to the section where the duplicative language remains.

Section 2 – Financial Bid Security Lowered from 10% to 5% This section lowers the amount of such financial bid security from 10% to 5% of the amount bid and eliminates a cap on the maximum bid security of \$10,000.

Section 4 – Effective Upon Enactment This section provides for an immediate effective date of the bill.