



## CHARTER REVIEW COMMISSION MEMORANDUM

**FROM:** The Office of the City Manager    **DATE:** June 9, 2025  
**SUBJECT:** Discuss Senate Bill 1173 and potential implications for City's Charter.  
**PRESENTER:** Bradley A. Anderle, City Attorney

### **SUMMARY:**

Discuss Senate Bill 1173 and implications for City's Charter.

### **GENERAL DESCRIPTION:**

The 89<sup>th</sup> Texas Legislature wrapped-up its Regular Session on June 2, 2025. One bill adopted by the Legislature and sent to the Governor was Senate Bill 1173. This bill was filed without signature of the Governor and will become effective as of September 1, 2025.

S.B. 1173 amends several state laws related to the amount of an expenditure made by certain political subdivisions for which a competitive procurement method is required by state law. In particular, the bill amends Section 252.021(a) of the Texas Local Government to raise from \$50,000 to \$100,000 the minimum amount at which a municipality is required to utilize a competitive procurement process as described by the statute. The bill makes a similar change in Section 272.054 of the Texas Local Government Code to increase from \$50,000 to \$100,000 the amount at which an Issuer, which includes a municipality, must utilize a competitive procurement process as described by the statute.

Article IX., Section 4., Competitive Bidding, in the City's Charter requires in pertinent part that:

"Unless otherwise allowed by law, all purchases over \$50,000.00 shall be made only after competitive bidding. ... The \$50,000.00 limit presently conforms to State law and the figure shall change as the State statute is amended in the future."

With the adoption of S.B. 1173, there is a conflict between the City's Charter and state law. While the Charter accounts for this conflict by providing that the \$50,000 limit shall change as the State statute changes, we thought it prudent to brief you on this situation in case the City Council desires to pursue an amendment of this section of the Charter to remove the conflict.



The purpose of this item is to get feedback from the Commission on whether staff should prepare a proposed Charter amendment on this issue to bring to the City Council for consideration.

**RECOMMENDATION:**

Discuss Senate Bill 1173 and implications for City's Charter.