

By: Schwertner, et al.
(Capriglione)

S.B. No. 19

Substitute the following for S.B. No. 19:

By: Paddie

C.S.S.B. No. 19

A BILL TO BE ENTITLED

AN ACT

relating to prohibited contracts with companies that discriminate against the firearm or ammunition industries.

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

SECTION 1. Subtitle F, Title 10, Government Code, is amended by adding Chapter 2274 to read as follows:

CHAPTER 2274. PROHIBITION ON CONTRACTS WITH COMPANIES THAT DISCRIMINATE AGAINST FIREARM AND AMMUNITION INDUSTRIES

Sec. 2274.001. DEFINITIONS. In this chapter:

(1) "Ammunition" means a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile.

(2) "Company" means a for-profit organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or associations that exists to make a profit.

(3) "Discriminate against a firearm entity or firearm trade association":

(A) means, with respect to the entity or association, to:

(i) refuse to engage in the trade of any goods or services;

(ii) refrain from continuing an existing

1 business relationship;

2 (iii) terminate an existing business
3 relationship; or

4 (iv) otherwise express a prejudice against
5 the entity or association; and

6 (B) does not include the established policies of
7 a merchant, retail seller, or platform that restrict or prohibit
8 the listing or selling of ammunition, firearms, or firearm
9 accessories.

10 (4) "Firearm" means a weapon that expels a projectile
11 by the action of explosive or expanding gases.

12 (5) "Firearm accessory" means a device specifically
13 designed or adapted to enable an individual to wear, carry, store,
14 or mount a firearm on the individual or on a conveyance and an item
15 used in conjunction with or mounted on a firearm that is not
16 essential to the basic function of the firearm. The term includes a
17 detachable firearm magazine.

18 (6) "Firearm entity" means:

19 (A) a firearm, firearm accessory, or ammunition
20 manufacturer, distributor, wholesaler, supplier, or retailer; and

21 (B) a sport shooting range as defined by Section
22 250.001, Local Government Code.

23 (7) "Firearm trade association" means any person,
24 corporation, unincorporated association, federation, business
25 league, or business organization that:

26 (A) is not organized or operated for profit and
27 for which none of its net earnings inures to the benefit of any

1 private shareholder or individual;

2 (B) has two or more firearm entities as members;

3 and

4 (C) is exempt from federal income taxation under

5 Section 501(a), Internal Revenue Code of 1986, as an organization

6 described by Section 501(c) of that code.

7 (8) "Governmental entity" has the meaning assigned by

8 Section 2251.001.

9 Sec. 2274.002. PROVISION REQUIRED IN CONTRACT. (a) This

10 section applies only to a contract to be paid partly or wholly from

11 public funds between a governmental entity and a company with at

12 least 10 full-time employees that has a value of at least \$100,000.

13 (b) Except as provided by Section 2274.003, a governmental

14 entity may not enter into a contract with a company for the purchase

15 of goods or services unless the contract contains a written

16 verification from the company that it:

17 (1) does not have a practice, policy, guidance, or

18 directive that discriminates against a firearm entity or firearm

19 trade association based solely on its status as a firearm entity or

20 firearm trade association; and

21 (2) will not discriminate during the term of the

22 contract against a firearm entity or firearm trade association

23 based solely on its status as a firearm entity or firearm trade

24 association.

25 Sec. 2274.003. CERTAIN CONTRACTS EXEMPTED. (a) A contract

26 entered into in connection with or relating to the issuance, sale,

27 or delivery of notes under Subchapter H, Chapter 404, or the

1 administration of matters related to the notes, including the
2 investment of note proceeds, is exempt from this chapter if, in the
3 comptroller's sole discretion, the comptroller determines that
4 compliance with Section 2274.002 is likely to prevent:

- 5 (1) an issuance, sale, or delivery that is sufficient
6 to address the general revenue cash flow shortfall forecast; or
7 (2) the administration of matters related to the
8 notes.

9 (b) Before making a determination under Subsection (a), the
10 comptroller must:

- 11 (1) survey potential respondents or bidders to a
12 solicitation for a contract described by Subsection (a) to
13 determine the number of qualified potential respondents or bidders
14 that are able to provide the written verification required by
15 Section 2274.002; and
16 (2) evaluate the historical bidding performance of
17 qualified potential bidders.

18 SECTION 2. The change in law made by this Act applies only
19 to a contract entered into on or after the effective date of this
20 Act. A contract entered into before the effective date of this Act
21 is governed by the law as it existed immediately before the
22 effective date of this Act, and that law is continued in effect for
23 that purpose.

24 SECTION 3. This Act takes effect September 1, 2021.