

BILL ANALYSIS

H.B. 845
By: Howard
State Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Under current law, when all other considerations are equal, the Building and Procurement Commission and other state agencies making purchases of goods are required to give a preference to Texas products. However, this requirement does not apply to Texas services. Some Texas state agencies bid out projects to service providers located in other states. Without a change in the law, the revenue, jobs, and tax dollars generated by those projects could continue to benefit the citizens of other states. The purpose of House Bill 845 is to extend the same preference requirements currently provided to Texas products to Texas services.

RULEMAKING AUTHORITY

It is the opinion of the committee that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

House Bill 845 amends Section 2155.444 of the Government Code to require the Building and Procurement Commission and other state agencies procuring services to give preference to services offered by a Texas bidder if the services meet state requirements regarding the service to be performed and expected quality, and the cost of the service does not exceed the cost of other similar services of similar expected quality that are not offered by a Texas bidder. "Service", as defined in this portion of the Government Code, means the furnishing of skilled or unskilled labor or professional work, but does not include the following: professional services (defined as accounting, architecture, land surveying, medicine, optometry, professional engineering, real estate appraising, or professional nursing), services of a state agency employee, certain consulting services, or a service of a public utility. A "Texas bidder" is defined as a business that is incorporated in, has its principal place of business in, or has an established physical presence in the state of Texas.

EFFECTIVE DATE

September 1, 2003.

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