

By: Dukes

H.B. No. 593

A BILL TO BE ENTITLED

AN ACT

relating to the eligibility of certain persons to contract with,  
and payment under certain contracts with, a governmental entity.

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

SECTION 1. Sections 2155.004(a), (c), (d), and (e),  
Government Code, are amended to read as follows:

(a) A governmental entity [~~state agency~~] may not accept a  
bid from a person or award to a person a contract that includes  
proposed financial participation by the [~~a~~] person if:

(1) the person participated [~~who received~~  
~~compensation from the agency to participate~~] in preparing the bid  
specifications or request for proposals on which the bid or  
contract is based; and

(2) the bid specifications or request for proposals on  
which the bid or contract is based:

(A) requires a work plan, project design, or  
other criteria for participation in the contract that is specific  
to that person or likely to limit or exclude competitors who provide  
similar goods or services; or

(B) includes a scope of required goods or  
services that is so narrowly defined that it is specific to that  
person or likely to limit or exclude competitors who provide  
similar goods or services.

(c) If a governmental entity [~~state agency~~] determines that

1 an individual or business entity holding a governmental [~~state~~]  
2 contract was ineligible to have the contract accepted or awarded  
3 under Subsection (a) or (e), the governmental entity [~~state agency~~]  
4 may immediately terminate the contract without further obligation  
5 to the vendor.

6 (d) This section does not create a cause of action to  
7 contest a bid or award of a governmental [~~state~~] contract.

8 (e) A governmental entity may not accept a bid from or award  
9 a contract that is subject to this subtitle to an individual or  
10 business entity that is barred from participating in governmental  
11 contracts under Section 2155.077. [~~This section does not prohibit~~  
12 ~~a bidder or contract participant from providing free technical~~  
13 ~~assistance to a state agency.~~]

14 SECTION 2. Subchapter A, Chapter 2155, Government Code, is  
15 amended by adding Section 2155.006 to read as follows:

16 Sec. 2155.006. SUBCONTRACTOR PAYMENT. If a dispute arises  
17 regarding a contract between a governmental entity and a  
18 contractor, any subcontractor shall be paid for the work completed  
19 under the contract if the work has been satisfactorily completed by  
20 the subcontractor and approved by the contractor and the  
21 governmental entity.

22 SECTION 3. The change in law made by this Act to Section  
23 2155.004(a), Government Code, applies only in relation to a  
24 contract for which the requests for bids or proposals or other  
25 applicable expressions of interest are made public on or after the  
26 effective date of this Act.

27 SECTION 4. This Act takes effect September 1, 2003.