By: DukesH.B. No. 593Substitute the following for H.B. No. 593:By: Davis of HarrisC.S.H.B. No. 593

A BILL TO BE ENTITLED

1	AN ACT
2	relating to the eligibility of certain persons to contract with a
3	state agency.
4	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
5	SECTION 1. Sections 2155.004(a), (c), and (e), Government
6	Code, are amended to read as follows:
7	(a) A state agency may not accept a bid <u>from a person</u> or
8	award to a person a contract that includes proposed financial
9	participation by <u>the</u> [a] person <u>if</u> :
10	(1) the person participated [who received
11	compensation from the agency to participate] in preparing the bid
12	specifications or request for proposals on which the bid or
13	contract is based; and
14	(2) the bid specifications or request for proposals on
15	which the bid or contract is based:
16	(A) requires a work plan, project design, or
17	other criteria for participation in the contract that is specific
18	to that person or likely to limit or exclude competitors who provide
19	similar goods or services; or
20	(B) includes a scope of required goods or
21	services that is so narrowly defined that it is specific to that
22	person or likely to limit or exclude competitors who provide
23	similar goods or services.
24	(c) If a state agency determines that an individual or

1

C.S.H.B. No. 593

business entity holding a state contract was ineligible to have the contract accepted or awarded under Subsection (a) <u>or (e)</u>, the state agency may immediately terminate the contract without further obligation to the vendor.

5 (e) <u>A state agency may not accept a bid from or award a</u> 6 <u>contract that is subject to this subtitle to an individual or</u> 7 <u>business entity that is barred from participating in state</u> 8 <u>contracts under Section 2155.077.</u> [This section does not prohibit 9 <u>a bidder or contract participant from providing free technical</u> 10 <u>assistance to a state agency.</u>]

SECTION 2. The change in law made by this Act to Section 2155.004(a), Government Code, applies only in relation to a contract for which the requests for bids or proposals or other applicable expressions of interest are made public on or after the effective date of this Act.

16

SECTION 3. This Act takes effect September 1, 2003.

2