By: West S.B. No. 1005

A BILL TO BE ENTITLED

1 AN ACT

2 relating to a state agency that is not complying with the

- 3 requirement to make a good faith effort to increase the agency's use
- 4 of historically underutilized businesses in purchasing and public
- 5 works contracting.
- 6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 7 SECTION 1. Subsections (d) and (f), Section 2161.123,
- 8 Government Code, are amended to read as follows:
- 9 (d) The commission and the state auditor shall cooperate to
- 10 develop procedures to periodically monitor state agency compliance
- 11 with this section. The state auditor shall report to the
- 12 commission, the Senate Finance Committee, and the House
- 13 Appropriations Committee a state agency that is not complying with
- 14 this section. In determining whether a state agency is making a
- 15 good faith effort to comply, the state auditor shall consider
- 16 whether the agency:
- 17 (1) has adopted rules under Section 2161.003;
- 18 (2) has used the commission's directory under Section
- 19 2161.064 and other resources to identify historically
- 20 underutilized businesses that are able and available to contract
- 21 with the agency;
- 22 (3) made good faith, timely efforts to contact
- 23 identified historically underutilized businesses regarding
- 24 contracting opportunities; and

- 1 (4) conducted its procurement program in accordance 2 with the good faith effort methodology set out in commission rules.
- 3 (f) If the state auditor reports <u>under Subsection (d)</u> [to

the commission] that a state agency is not complying with this

5 section:

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- 6 $\underline{\text{(1)}}$ [7] the commission shall assist the agency in 7 complying;
- 8 (2) the agency shall, not later than the 21st day after
- 9 the date of the state auditor's report under Subsection (d), send to
- 10 the state auditor, the Legislative Audit Committee, the Senate
- 11 Finance Committee, and the House Appropriations Committee a letter
- 12 <u>that:</u>
- 13 (A) outlines the actions that the agency will
- 14 take to comply with the good faith effort requirements of this
- 15 section, including actions to comply with the procedures specified
- 16 under Subsection (d); and
- 17 (B) states the time by which the agency expects
- 18 to have accomplished each of the actions it will take; and
- 19 (3) the agency shall send written notification to the
- 20 state auditor, the Legislative Audit Committee, the Senate Finance
- 21 Committee, and the House Appropriations Committee when the agency
- 22 is in compliance with the good faith effort requirements of this
- 23 <u>section</u>.
- 24 SECTION 2. This Act takes effect immediately if it receives
- 25 a vote of two-thirds of all the members elected to each house, as
- 26 provided by Section 39, Article III, Texas Constitution. If this
- 27 Act does not receive the vote necessary for immediate effect, this

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1 Act takes effect September 1, 2003.