

BILL ANALYSIS

C.S.H.B. 26
By: Delisi
Government Reform
Committee Report (Substituted)

BACKGROUND AND PURPOSE

While several state agencies make various documents relating to state contracting available to the general public in an online format, there is no uniform policy across state government on what documents should be made available. Nor is there the ability for the public to locate specific documents relating to contracts across state government from one convenient online location. The purpose of this legislation is to establish a policy of making state contract documents generally available in an online format on a key-word searchable website.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Building and Procurement Commission in SECTION 4 of this bill.

ANALYSIS

C.S.H.B. 26 amends Section 2177 of the Government Code by requiring the Texas Building and Procurement Commission to establish the infrastructure of an electronic procurement marketplace and the Department of Information Resources to manage it.

The bill also adds Section 2177.052, Major Contracts. A "major contract" means one that has a value of at least \$5 million as the initial value of the contract, or the total value of the contract after all potential term extensions. This Act requires that each state agency must provide the Texas Building and Procurement Commission with copies of each major contract entered into by the agency, and each request, proposal, or invitation related to the major contract. The commission is required to include this information on the electronic procurement marketplace and to allow government entities, including legislative entities, access to this information. The commission is also required to allow the public access to this information, except information that is not subject to disclosure under Chapter 552 of the Government Code. This information must be referenced in an appendix that describes the information generally without disclosing specifics. The information is to be made searchable by contract value, state agency, and vendor, as well as any other subjects determined appropriate.

A state agency is not required to comply with these changes for any contracts entered into before the effective date of this act. Prior contracts may, however, be provided for posting if the agency so desires.

EFFECTIVE DATE

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2005.

COMPARISON OF ORIGINAL TO SUBSTITUTE

C.S.H.B. 26 modifies the original by adding that the commission is required to establish an electronic procurement marketplace. It also amends the section that requires that the public be allowed to access the information by stating that information protected under Chapter 552 of the Government Code does not have to be included. CSHB 26 also clarifies that that the bill only applies to future contracts that are entered into after the bill takes effect, protecting current contracts but alerting agencies that all future contracts will be required to be made public.