

## **BILL ANALYSIS**

H.B. 2932  
By: Delisi  
State Affairs  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

State of Texas employees involved with purchasing decisions are not currently required by statute to disclose family relationships involving vendors. HB 2932 would create a requirement for these state employees to disclose such relationships.

### **RULEMAKING AUTHORITY**

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

### **ANALYSIS**

Amends Section 2262 of the Government Code to require nepotism disclosure. A "major stockholder" is someone who owns more than 10% interest, or more than \$25,000 worth, of a business entity. "Purchasing personnel" means an employee of a state agency who makes decisions on behalf of the state agency or makes recommendations regarding contracts or who is awarded a contract. Before a state agency enters into a contract with a business providing goods and services, this bill requires agency's purchasing personnel to disclose in writing to the agency's head any relationship they are aware of between an agency employee and an employee, partner, stockholder, or owner of the business involved in the contract. Requires the state auditor to develop a form to use in reporting these relationships. Applies to institutions of higher education and contracts of the Department of Transportation relating to highway construction or engineering; only applies to contracts awarded or extended on or after the effective date.

### **EFFECTIVE DATE**

September 1, 2005