1-1 By: Delisi (Senate Sponsor - Zaffirini)
H.B. No. 26
1-2 (In the Senate - Received from the House May 10, 2005;
1-3 May 12, 2005, read first time and referred to Committee on Finance;
1-4 May 18, 2005, reported favorably by the following vote: Yeas 12,
1-5 Nays 0; May 18, 2005, sent to printer.)

A BILL TO BE ENTITLED
AN ACT

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relating to an electronic database of major state contracts and related documents.

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

SECTION 1. Sections 2177.0001 and 2177.001, Government Code, are reenacted as Section 2177.001, Government Code, and amended to read as follows:

Sec. 2177.001. DEFINITIONS. In this chapter:

- (1) "Department" means the Department of Information Resources.
- (2) "Electronic procurement system" means the electronic system for procuring goods and services consisting of the electronic procurement marketplace created under Subchapter B and the electronic commerce network created under Subchapter C.
- (3) [(1)] "Institution of higher education" has the meaning assigned by Section 61.003, Education Code.
- $\underline{(4)}$   $\underline{(4)}$  "Political subdivision" includes a school district.
- (5) [(3)] "State agency" has the meaning assigned by Section 2054.003, except that the term does not include a university system or institution of higher education [or an agency identified in Section 531.001(4)].

SECTION 2. Section 2177.051(a), Government Code, is amended to read as follows:

- (a) The <u>commission</u> [department] shall establish, and <u>the department shall manage</u>, the electronic infrastructure of an electronic procurement marketplace. The commission shall manage and administer the content of the electronic procurement marketplace in accordance with this subtitle. The department or commission, as appropriate, may enter into contracts with private or public entities to establish or maintain all or part of the databases comprising the marketplace, to the extent feasible, including contracts to procure hardware or software. The department or commission, as appropriate, shall procure all goods and services related to the marketplace through a competitive selection process appropriate for the good or service being acquired.
- SECTION 3. Subchapter B, Chapter 2177, Government Code, is amended by adding Section 2177.052 to read as follows:
- Sec. 2177.052. MAJOR CONTRACTS. (a) In this section, "major contract" means a contract that has a value that is expected to be at least \$5 million computed as the:

(1) initial value of the contract; or

- (2) total value of the contract after all potential term extensions.
- (b) Each state agency shall provide the commission copies of the following documents:
- (1) each major contract entered into by the agency; and
- (2) each request for proposal, invitation to bid, or comparable solicitation related to the major contract.
- (c) The commission shall include in the information posted on the electronic procurement marketplace:
- (1) each major contract of a state agency, including the commission; and
- (2) each request for proposal, invitation to bid, or comparable solicitation related to the major contract.
  - (d) The commission shall allow Texas governmental entities,

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including legislative entities, access to the information posted under this section.

(e) The commission shall allow public access to the information posted under this section, except for information that is not subject to disclosure under Chapter 552. Information that is not subject to disclosure under Chapter 552 must be referenced in an appendix that generally describes the information without disclosing the specific content of the information.

(f) The commission shall make the information searchable by contract value, state agency, and vendor. The commission may make

the information searchable by other subjects as appropriate.

SECTION 4. (a) Not later than December 31, 2005, the Texas Building and Procurement Commission shall establish or modify the electronic procurement marketplace as necessary to comply with

- Section 2177.052, Government Code, as added by this Act.

  (b) A state agency is not required to comply with Section 2177.052, Government Code, as added by this Act, for a contract entered into before the effective date of this Act.
- (c) Not later than June 1, 2006, the Texas Building and Procurement Commission and each affected state agency shall meet the requirements of Section 2177.052, Government Code, as added by this Act. The commission by rule may provide guidance regarding which major contracts entered into before the effective date of this Act, together with their related documents, may be provided to

the commission for posting under Section 2177.052.

SECTION 5. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this

Act takes effect September 1, 2005.

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