

By: Rose

H.B. No. 2252

A BILL TO BE ENTITLED

AN ACT

relating to state purchases from foreign corporations.

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

SECTION 1. Subchapter B, Chapter 2155, Government Code, is amended by adding Section 2155.0775 to read as follows:

Sec. 2155.0775. PURCHASES FROM FOREIGN CORPORATIONS PROHIBITED. (a) In this section, "foreign corporation" means a corporation that is incorporated under the laws of a jurisdiction other than the United States or any state in the United States.

(b) Except as provided by Subsection (c), a foreign corporation may not participate in state contracts that are subject to this subtitle, including contracts for which purchasing authority is delegated to a state agency.

(c) This section does not apply to a foreign corporation that engages in business in this state and that has a physical office in this state.

SECTION 2. Section 2155.0775, Government Code, as added by this Act, applies only to a contract entered into or renewed on or after the effective date of this Act. A contract in existence on the effective date of this Act is governed by the law as it existed when the contract was made.

SECTION 3. This Act takes effect September 1, 2005.