

Amend CSHB 447 (Senate committee printing) by adding the following appropriately numbered SECTIONS to Article 2 of the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION 2.__. Section 44.031(b), Education Code, is amended to read as follows:

(b) Except as provided by this subchapter, in determining to whom to award a contract, the district may consider:

- (1) the purchase price;
- (2) the reputation of the vendor and of the vendor's goods or services;
- (3) the quality of the vendor's goods or services;
- (4) the extent to which the goods or services meet the district's needs;
- (5) the vendor's past relationship with the district;
- (6) the impact on the ability of the district to comply with laws and rules relating to historically underutilized businesses;
- (7) the total long-term cost to the district to acquire the vendor's goods or services; ~~and~~
- (8) whether the vendor provides health care benefits or equivalent health savings benefits to employees; and
- (9) any other relevant factor specifically listed in the request for bids or proposals.

SECTION __. Subchapter B, Chapter 44, Education Code, is amended by adding Section 44.0421 to read as follows:

Sec. 44.0421. PREFERENCE FOR VENDORS THAT PROVIDE HEALTH CARE BENEFITS OR EQUIVALENT HEALTH SAVINGS BENEFITS. (a) A school district procuring goods or services shall give preference to goods or services of a vendor that demonstrates that the vendor provides health care benefits or equivalent health savings benefits to the vendor's employees if:

- (1) the goods or services meet district specifications regarding quantity and quality; and
- (2) the cost of the goods or services does not exceed the cost of similar goods or services produced by a vendor that does not demonstrate that the vendor provides health care benefits or equivalent health savings benefits to the vendor's employees.

(b) A contract awarded to a vendor using the preference under this section must include terms that allow the district to terminate the contract if the vendor at any time during the life of the contract does not continue to provide health care benefits or equivalent health savings benefits at a level comparable to the level the vendor claimed to provide in its demonstration under Subsection (a).

SECTION 2.__. Section 2155.074(b), Government Code, is amended to read as follows:

(b) In determining the best value for the state, the purchase price and whether the goods or services meet specifications are the most important considerations. However, the commission or other state agency may, subject to Subsection (c) and Section 2155.075, consider other relevant factors, including:

- (1) installation costs;
 - (2) life cycle costs;
 - (3) the quality and reliability of the goods and services;
 - (4) the delivery terms;
 - (5) indicators of probable vendor performance under the contract such as past vendor performance, the vendor's financial resources and ability to perform, the vendor's experience or demonstrated capability and responsibility, and the vendor's ability to provide reliable maintenance agreements and support;
 - (6) the cost of any employee training associated with a purchase;
 - (7) the effect of a purchase on agency productivity;
 - (8) the vendor's anticipated economic impact to the state or a subdivision of the state, including potential tax revenue and employment;
 - (9) whether the vendor provides health care benefits or equivalent health savings benefits to the vendor's employees;
- and
- (10) [~~(9)~~] other factors relevant to determining the best value for the state in the context of a particular purchase.

SECTION 2.__. Subchapter H, Chapter 2155, Government Code, is amended by adding Section 2155.452 to read as follows:

Sec. 2155.452. PREFERENCE FOR VENDORS THAT PROVIDE HEALTH CARE BENEFITS OR EQUIVALENT HEALTH SAVINGS BENEFITS. (a) The commission and all state agencies procuring goods or services shall give preference to goods or services of a vendor that demonstrates that the vendor provides health care benefits or equivalent health savings benefits to the vendor's employees if:

(1) the goods or services meet state specifications regarding quantity and quality; and

(2) the cost of the goods or services does not exceed the cost of other similar goods or services produced by a vendor that does not demonstrate that the vendor provides health care benefits or equivalent health savings benefits to the vendor's employees.

(b) A contract awarded to a vendor using the preference under this section must include terms that allow the commission or a state agency to terminate the contract if the vendor at any time during the life of the contract does not continue to provide health care benefits or equivalent health savings benefits at a level comparable to the level the vendor claimed to provide in its demonstration under Subsection (a).

SECTION 2.____. Section 44.0421, Education Code, and Section 2155.452, Government Code, as added by this Act, apply only to a contract for the procurement of goods and services for which the solicitation of bids or proposals, request for proposals, or similar request for offers to provide the goods or services is first published on or after September 1, 2007. A contract for the procurement of goods and services for which the solicitation of bids or proposals, request for proposals, or similar request for offers to provide the goods or services is first published before September 1, 2007, is governed by the law in effect at the time the solicitation or request is published, and that law is continued in effect for that purpose.