

1 AN ACT

2 relating to certain contracts and purchasing procedures for school  
3 districts.

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

5 SECTION 1. Section 34.007(a), Education Code, is amended to  
6 read as follows:

7 (a) A board of county school trustees or a school district  
8 board of trustees may establish and operate an economical public  
9 school transportation system:

- 10 (1) in the county or district, as applicable; or  
11 (2) outside the county or district, as applicable, if  
12 the county or school district enters into an interlocal contract as  
13 provided by Chapter 791, Government Code.

14 SECTION 2. The heading to Section 34.008, Education Code,  
15 is amended to read as follows:

16 Sec. 34.008. CONTRACT WITH TRANSIT AUTHORITY, ~~[OR]~~  
17 COMMERCIAL TRANSPORTATION COMPANY, OR JUVENILE BOARD.

18 SECTION 3. Section 34.008(a), Education Code, is amended to  
19 read as follows:

20 (a) A board of county school trustees or school district  
21 board of trustees may contract with a mass transit authority, ~~[or a]~~  
22 commercial transportation company, or juvenile board for all or any  
23 part of a district's public school transportation if the authority,  
24 ~~[or]~~ company, or board:

1           (1) requires its school bus drivers to have the  
2 qualifications required by and to be certified in accordance with  
3 standards established by the Department of Public Safety; and

4           (2) uses only those school buses or mass transit  
5 authority buses in transporting 15 or more public school students  
6 that meet or exceed safety standards for school buses established  
7 under Section 34.002 [~~Education Code~~].

8           SECTION 4. Section 44.031(b), Education Code, is amended to  
9 read as follows:

10           (b) Except as provided by this subchapter, in determining to  
11 whom to award a contract, the district shall [~~may~~] consider:

12                 (1) the purchase price;

13                 (2) the reputation of the vendor and of the vendor's  
14 goods or services;

15                 (3) the quality of the vendor's goods or services;

16                 (4) the extent to which the goods or services meet the  
17 district's needs;

18                 (5) the vendor's past relationship with the district;

19                 (6) the impact on the ability of the district to comply  
20 with laws and rules relating to historically underutilized  
21 businesses;

22                 (7) the total long-term cost to the district to  
23 acquire the vendor's goods or services; and

24                 (8) any other relevant factor specifically listed in  
25 the request for bids or proposals.

26           SECTION 5. Subchapter B, Chapter 44, Education Code, is  
27 amended by adding Section 44.0331 to read as follows:

1       Sec. 44.0331. MANAGEMENT FEES UNDER CERTAIN COOPERATIVE  
2 PURCHASING CONTRACTS. (a) A school district that enters into a  
3 purchasing contract valued at \$25,000 or more under Section  
4 44.031(a)(5), under Subchapter F, Chapter 271, Local Government  
5 Code, or under any other cooperative purchasing program authorized  
6 for school districts by law shall document any contract-related  
7 fee, including any management fee, and the purpose of each fee under  
8 the contract.

9       (b) The amount, purpose, and disposition of any fee  
10 described by Subsection (a) must be presented in a written report  
11 and submitted annually in an open meeting of the board of trustees  
12 of the school district. The written report must appear as an agenda  
13 item.

14       (c) The commissioner may audit the written report described  
15 by Subsection (b).

16       SECTION 6. The change in law made by Section 44.031(b),  
17 Education Code, as amended by this Act, and Section 44.0331,  
18 Education Code, as added by this Act, applies only to a contract  
19 entered into on or after the effective date of this Act. A contract  
20 entered into before the effective date of this Act is governed by  
21 the law in effect immediately before that date, and that law is  
22 continued in effect for that purpose.

23       SECTION 7. This Act takes effect immediately if it receives  
24 a vote of two-thirds of all the members elected to each house, as  
25 provided by Section 39, Article III, Texas Constitution. If this  
26 Act does not receive the vote necessary for immediate effect, this  
27 Act takes effect September 1, 2007.

---

President of the Senate

---

Speaker of the House

I certify that H.B. No. 273 was passed by the House on April 18, 2007, by the following vote: Yeas 145, Nays 0, 1 present, not voting; and that the House concurred in Senate amendments to H.B. No. 273 on May 21, 2007, by the following vote: Yeas 132, Nays 0, 1 present, not voting.

---

Chief Clerk of the House

I certify that H.B. No. 273 was passed by the Senate, with amendments, on May 17, 2007, by the following vote: Yeas 31, Nays 0.

---

Secretary of the Senate

APPROVED: \_\_\_\_\_

Date

---

Governor