

By: Truitt

H.B. No. 273

Substitute the following for H.B. No. 273:

By: Delisi

C.S.H.B. No. 273

A BILL TO BE ENTITLED

AN ACT

relating to certain purchasing procedures for school districts.

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

SECTION 1. Sections 44.031(b) and (c), Education Code, are amended to read as follows:

(b) Except as provided by this subchapter, in determining to whom to award a contract, the district shall ~~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) any other relevant factor specifically listed in the request for bids or proposals.

(c) The state auditor may audit purchases of goods or services by the district. The commissioner may conduct an audit of district purchases of goods and services to assess district

1 contract performance as provided by this subsection. If the
2 commissioner determines that a sufficient performance level has not
3 been achieved under a contract to which this section applies, the
4 district may not renew the contract. In this subsection,
5 "sufficient performance level" means that the contract resulted in
6 substantially similar value as contracts of similar amounts for
7 purchases of similar goods or services entered into during a
8 similar contract period by similarly situated school districts.

9 SECTION 2. Subchapter B, Chapter 44, Education Code, is
10 amended by adding Section 44.0331 to read as follows:

11 Sec. 44.0331. MANAGEMENT FEES UNDER CERTAIN COOPERATIVE
12 PURCHASING CONTRACTS. (a) A school district that enters into a
13 purchasing contract valued at \$25,000 or more under Section
14 44.031(a)(5), under Subchapter F, Chapter 271, Local Government
15 Code, or under any other cooperative purchasing program authorized
16 for school districts by law shall document any contract-related
17 fee, including any management fee, and the purpose of each fee under
18 the contract.

19 (b) The amount, purpose, and disposition of any fee
20 described by Subsection (a) must be presented in a written report
21 and submitted annually in an open meeting of the board of trustees
22 of the school district. The written report must appear as an agenda
23 item.

24 (c) The commissioner may audit the written report described
25 by Subsection (b).

26 SECTION 3. The change in law made by Section 44.031(b),
27 Education Code, as amended by this Act, and Section 44.0331,

1 Education Code, as added by this Act, applies only to a contract
2 entered into on or after the effective date of this Act. A contract
3 entered into before the effective date of this Act is governed by
4 the law in effect immediately before that date, and that law is
5 continued in effect for that purpose.

6 SECTION 4. This Act takes effect immediately if it receives
7 a vote of two-thirds of all the members elected to each house, as
8 provided by Section 39, Article III, Texas Constitution. If this
9 Act does not receive the vote necessary for immediate effect, this
10 Act takes effect September 1, 2007.