

By: Truitt

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 the method listed under Subsection (a) that provides the best value for a school district ~~[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

1 services by the district. If the state auditor determines that a
2 sufficient performance level has not been achieved under a contract
3 to which this section applies, the district may not renew the
4 contract. In this subsection, "sufficient performance level" means
5 that the contract resulted in substantially similar value as
6 contracts of similar amounts for purchases of similar goods or
7 services entered into during a similar contract period by similarly
8 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 under Section 44.031(a)(5), Local Government
14 Code, or under any other cooperative purchasing program authorized
15 for school districts by law may pay a fee in an amount not to exceed
16 two percent of the amount to be paid under the contract to a person
17 designated in the contract for performing management services
18 related to the contract.

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

23 (c) The state auditor may audit the written report described
24 by Subsection (b).

25 SECTION 3. The change in law made by Section 44.031(b),
26 Education Code, as amended by this Act, and Section 44.0331,
27 Education Code, as added by this Act, applies only to a contract

1 entered into on or after the effective date of this Act. A contract
2 entered into before the effective date of this Act is governed by
3 the law in effect immediately before that date, and that law is
4 continued in effect for that purpose.

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