

1-1 By: Truitt (Senate Sponsor - Harris) H.B. No. 273
1-2 (In the Senate - Received from the House April 19, 2007;
1-3 April 26, 2007, read first time and referred to Committee on
1-4 Education; May 9, 2007, reported adversely, with favorable
1-5 Committee Substitute by the following vote: Yeas 5, Nays 0;
1-6 May 9, 2007, sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR H.B. No. 273 By: Janek

1-8 A BILL TO BE ENTITLED
1-9 AN ACT

1-10 relating to certain contracts and purchasing procedures for school
1-11 districts.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Section 34.007(a), Education Code, is amended to
1-14 read as follows:

1-15 (a) A board of county school trustees or a school district
1-16 board of trustees may establish and operate an economical public
1-17 school transportation system:

1-18 (1) in the county or district, as applicable; or

1-19 (2) outside the county or district, as applicable, if
1-20 the county or school district enters into an interlocal contract as
1-21 provided by Chapter 791, Government Code.

1-22 SECTION 2. The heading to Section 34.008, Education Code,
1-23 is amended to read as follows:

1-24 Sec. 34.008. CONTRACT WITH TRANSIT AUTHORITY, ~~[OR]~~
1-25 COMMERCIAL TRANSPORTATION COMPANY, OR JUVENILE BOARD.

1-26 SECTION 3. Section 34.008(a), Education Code, is amended to
1-27 read as follows:

1-28 (a) A board of county school trustees or school district
1-29 board of trustees may contract with a mass transit authority, ~~[or a]~~
1-30 commercial transportation company, or juvenile board for all or any
1-31 part of a district's public school transportation if the authority,
1-32 ~~[or]~~ company, or board:

1-33 (1) requires its school bus drivers to have the
1-34 qualifications required by and to be certified in accordance with
1-35 standards established by the Department of Public Safety; and

1-36 (2) uses only those school buses or mass transit
1-37 authority buses in transporting 15 or more public school students
1-38 that meet or exceed safety standards for school buses established
1-39 under Section 34.002 [~~, Education Code~~].

1-40 SECTION 4. Section 44.031(b), Education Code, is amended to
1-41 read as follows:

1-42 (b) Except as provided by this subchapter, in determining to
1-43 whom to award a contract, the district shall ~~[may]~~ consider:

1-44 (1) the purchase price;

1-45 (2) the reputation of the vendor and of the vendor's
1-46 goods or services;

1-47 (3) the quality of the vendor's goods or services;

1-48 (4) the extent to which the goods or services meet the
1-49 district's needs;

1-50 (5) the vendor's past relationship with the district;

1-51 (6) the impact on the ability of the district to comply
1-52 with laws and rules relating to historically underutilized
1-53 businesses;

1-54 (7) the total long-term cost to the district to
1-55 acquire the vendor's goods or services; and

1-56 (8) any other relevant factor specifically listed in
1-57 the request for bids or proposals.

1-58 SECTION 5. Subchapter B, Chapter 44, Education Code, is
1-59 amended by adding Section 44.0331 to read as follows:

1-60 Sec. 44.0331. MANAGEMENT FEES UNDER CERTAIN COOPERATIVE
1-61 PURCHASING CONTRACTS. (a) A school district that enters into a
1-62 purchasing contract valued at \$25,000 or more under Section
1-63 44.031(a)(5), under Subchapter F, Chapter 271, Local Government

2-1 Code, or under any other cooperative purchasing program authorized
2-2 for school districts by law shall document any contract-related
2-3 fee, including any management fee, and the purpose of each fee under
2-4 the contract.

2-5 (b) The amount, purpose, and disposition of any fee
2-6 described by Subsection (a) must be presented in a written report
2-7 and submitted annually in an open meeting of the board of trustees
2-8 of the school district. The written report must appear as an agenda
2-9 item.

2-10 (c) The commissioner may audit the written report described
2-11 by Subsection (b).

2-12 SECTION 6. The change in law made by Section 44.031(b),
2-13 Education Code, as amended by this Act, and Section 44.0331,
2-14 Education Code, as added by this Act, applies only to a contract
2-15 entered into on or after the effective date of this Act. A contract
2-16 entered into before the effective date of this Act is governed by
2-17 the law in effect immediately before that date, and that law is
2-18 continued in effect for that purpose.

2-19 SECTION 7. This Act takes effect immediately if it receives
2-20 a vote of two-thirds of all the members elected to each house, as
2-21 provided by Section 39, Article III, Texas Constitution. If this
2-22 Act does not receive the vote necessary for immediate effect, this
2-23 Act takes effect September 1, 2007.

2-24 * * * * *