

By: Isett

H.B. No. 2918

A BILL TO BE ENTITLED

1 AN ACT

2 relating to state information technology contracting and
3 procurement practices.

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

5 SECTION 1. The heading to Section 2054.0565, Government
6 Code, is amended to read as follows:

7 Sec. 2054.0565. USE OF CONTRACTS BY OTHER [~~GOVERNMENTAL~~]
8 ENTITIES.

9 SECTION 2. Section 2054.0565(a), Government Code, is
10 amended to read as follows:

11 (a) The department may include terms in a procurement
12 contract entered into by the department, including a contract
13 entered into under Section 2157.068, that allow the contract to be
14 used by another state agency, a political subdivision of this
15 state, [~~or~~] a governmental entity of another state, or an
16 assistance organization as defined by Section 2175.001.

17 SECTION 3. Section 2054.301, Government Code, is amended to
18 read as follows:

19 Sec. 2054.301. APPLICABILITY. This subchapter applies
20 only to:

21 (1) a major information resources project; or

22 (2) a major contract as defined by Section
23 2262.001(4).

24 SECTION 4. Sections 2054.303(a) and (c), Government Code,

1 are amended to read as follows:

2 (a) For each proposed major information resources project
3 or major contract, a state agency must prepare:

4 (1) a business case providing the initial
5 justification for the project or contract, including the
6 anticipated return on investment in terms of cost savings and
7 efficiency for the project or contract; and

8 (2) a statewide impact analysis of the project's or
9 contract's effect on the state's common information resources
10 infrastructure, including the possibility of reusing code or other
11 resources.

12 (c) The department shall use the analysis to ensure that the
13 proposed project or major contract does not unnecessarily duplicate
14 existing statewide information resources technology.

15 SECTION 5. Section 2054.304, Government Code, is amended to
16 read as follows:

17 Sec. 2054.304. PROJECT PLANS. (a) A state agency shall
18 develop a project plan for each major information resources project
19 or major contract.

20 (b) Except as provided by Subsection (c), the state agency
21 must file the project plan with the quality assurance team and the
22 Texas Building and Procurement Commission before the agency:

23 (1) spends more than 10 percent of allocated funds for
24 the project or major contract; or

25 (2) first issues a vendor solicitation for the project
26 or contract.

27 (c) Unless the project plan has been filed under this

1 section:

2 (1) the Texas Building and Procurement Commission may
3 not issue a vendor solicitation for the project or major contract;
4 and

5 (2) the agency may not post a vendor solicitation for
6 the project or contract in the state business daily under Section
7 2155.083.

8 SECTION 6. Section 2054.305, Government Code, is amended to
9 read as follows:

10 Sec. 2054.305. PROCUREMENT PLAN AND METHOD FOR MONITORING
11 CONTRACTS. Before issuing a vendor solicitation for a project or
12 major contract, the state agency must develop, consistent with
13 department guidelines:

14 (1) a procurement plan with anticipated service levels
15 and performance standards for each vendor; and

16 (2) a method to monitor changes to the scope of each
17 contract.

18 SECTION 7. Section 2155.502, Government Code, is amended by
19 amending Subsection (c) and adding Subsection (e) to read as
20 follows:

21 (c) The commission may not list a multiple award contract on
22 a schedule developed under Subsection (a) [~~this section~~] if the
23 goods or services provided by that contract:

24 (1) are available from only one vendor; [~~or~~]

25 (2) are telecommunications services, facilities, or
26 equipment; or

27 (3) are commodity items as defined by Section

1 2157.068(a).

2 (e) The department may develop a schedule of multiple award
3 contracts for commodity items as defined by Section 2157.068(a)
4 using the criteria established under Subsection (a).

5 SECTION 8. Section 2157.061, Government Code, is amended to
6 read as follows:

7 Sec. 2157.061. USE OF CATALOG PURCHASE METHOD [~~REQUIRED~~
8 ~~UNLESS BEST VALUE AVAILABLE ELSEWHERE~~]. The department may adopt
9 rules that specify the requirements for a catalog purchase method
10 for [~~commission or a state agency shall purchase an~~] automated
11 information systems [~~system through the catalog procedure provided~~
12 ~~by this subchapter unless the commission or state agency determines~~
13 ~~that the best value may be obtained from another purchase method~~
14 ~~authorized by this subtitle~~].

15 SECTION 9. Subchapter B, Chapter 2157, Government Code, is
16 amended by adding Section 2157.0615 to read as follows:

17 Sec. 2157.0615. CATALOG PURCHASE METHOD FOR COMMODITY
18 ITEMS. The department shall establish a catalog purchase method
19 for the purchase by a state agency of commodity items as defined by
20 Section 2157.068(a) if the department determines that the method is
21 necessary to obtain the best value for the state.

22 SECTION 10. Section 2157.067(a), Government Code, is
23 amended to read as follows:

24 (a) The department [~~commission~~] shall make the catalog
25 purchase method [~~purchasing procedure~~] available to a local
26 government that qualifies for cooperative purchasing under
27 Sections 271.082 and 271.083, Local Government Code.

1 SECTION 11. Section 2157.068(b), Government Code, is
2 amended to read as follows:

3 (b) The department shall negotiate with [~~catalog~~
4 ~~information systems~~] vendors to attempt to obtain a favorable price
5 for all of state government on licenses for commodity items, based
6 on the aggregate volume of purchases expected to be made by the
7 state. The terms and conditions of a license agreement between a
8 vendor and the department under this section may not be less
9 favorable to the state than the terms of similar license agreements
10 between the vendor and retail distributors.

11 SECTION 12. Section 2262.051, Government Code, is amended
12 by adding Subsection (h) to read as follows:

13 (h) The guide must establish procedures for major contracts
14 that outsource a state function or process to a contractor,
15 including when applicable the use of documents required under
16 Subchapter J, Chapter 2054.

17 SECTION 13. Section 2262.053(b), Government Code, is
18 amended to read as follows:

19 (b) The training must provide the contract manager with
20 information regarding how to:

21 (1) fairly and objectively select and negotiate with
22 the most qualified contractor;

23 (2) establish prices that are cost-effective and that
24 reflect the cost of providing the service;

25 (3) include provisions in a contract that hold the
26 contractor accountable for results;

27 (4) monitor and enforce a contract;

- 1 (5) make payments consistent with the contract; ~~and~~
2 (6) comply with any requirements or goals contained in
3 the contract management guide; and
4 (7) use and apply advanced sourcing strategies,
5 techniques, and tools.

6 SECTION 14. The following sections are repealed:

- 7 (1) 2155.507, Government Code;
8 (2) 2157.0611, Government Code;
9 (3) 2157.062, Government Code;
10 (4) 2157.063, Government Code; and
11 (5) 2157.066, Government Code.

12 SECTION 15. Subchapter J, Chapter 2054, Government Code, as
13 amended by this Act, applies only to a major contract entered into
14 on or after the effective date of this Act. A major contract
15 entered into before the effective date of this Act is governed by
16 the law in effect on the date the contract was entered into, and the
17 former law is continued in effect for that purpose.

18 SECTION 16. The Department of Information Resources must
19 comply with Section 2157.067, Government Code, as amended by this
20 Act, not later than October 1, 2007.

21 SECTION 17. The Texas Building and Procurement Commission
22 must comply with Section 2262.051(h), Government Code, as added by
23 this Act, and Section 2262.053(b), Government Code, as amended by
24 this Act, not later than October 1, 2007.

25 SECTION 18. This Act takes effect September 1, 2007.