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HOUSE OF REPRESENTATIVES

FLOOR AMENDMENT NO. _____

BY: Y. Davis

1 Amend C.S.H.B. No. 4 (house committee printing) as follows:

2 (1) On page 27, line 6, strike "and" and substitute "[and]".

3 (2) On page 27, line 9, between "possible" and the period,
4 insert the following:

5 ; and

6 (8) that the contract include a requirement that iron
7 and steel products and manufactured goods used in the project be
8 produced in the United States, unless:

9 (A) such products or goods are not:

10 (i) available in sufficient quantities;

11 (ii) readily available; or

12 (iii) of a satisfactory quality; or

13 (B) the use of such products or goods will
14 increase the total cost of the project by more than 20 percent

15 (3) On page 27, between lines 14 and 15, insert the
16 following:

17 (c) For the purposes of Subsections (a)(8) and (d):

18 (1) "Component" means any article, material, or
19 supply, whether a manufactured good or raw material, that is
20 directly incorporated into a manufactured good.

21 (2) "Manufactured good" means an item produced as the
22 result of a manufacturing process.

23 (3) "Manufacturing process" means the application of a
24 process to alter the form or function of materials or elements of a
25 product in a manner that adds value and transforms the materials or
26 elements so that a new end product is produced that is functionally
27 different from the product that would result from simple assembly
28 of the materials or elements.

29 (4) "Produced in the United States" means:

1 (A) in the case of iron and steel products,
2 products for which all manufacturing processes, from initial
3 melting through application of coatings, take place in the United
4 States, except metallurgical processes that involve the refinement
5 of steel additives; and

6 (B) in the case of a manufactured good, a good for
7 which:

8 (i) all of the manufacturing process that
9 produced the manufactured good takes place in the United States;
10 and

11 (ii) more than 60 percent of the components
12 of the manufactured good, by cost, originate in the United States.

13 (d) For the purposes of Subsection (c)(4)(B)(ii), if a
14 component originates in the United States, the entire cost of that
15 component contributes to the determination of the percentage of the
16 components of the manufactured good that originate in the United
17 States.

18 (e) This section shall be applied in a manner consistent
19 with this state's obligations under any international agreement.