

By: Davis of Dallas

H.B. No. 535

A BILL TO BE ENTITLED

1 AN ACT  
2 relating to the preference given by state agencies to goods offered  
3 by bidders in this state or manufactured, produced, or grown in this  
4 state or in the United States.

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

6 SECTION 1. Sections 2155.444(a), (b), and (c), Government  
7 Code, are amended to read as follows:

8 (a) The comptroller [~~commission~~] and all state agencies  
9 making purchases of goods, including agricultural products, shall  
10 promote the purchase of and give preference to goods manufactured,  
11 [~~these~~] produced, or grown in this state or offered by Texas bidders  
12 as follows:

13 (1) goods manufactured, produced, or offered by a  
14 Texas bidder that is owned by a service-disabled veteran who is a  
15 Texas resident shall be given a first preference and goods  
16 manufactured or produced in this state or offered by other Texas  
17 bidders shall be given second preference, if the cost to the state  
18 and quality are equal; and

19 (2) agricultural products grown in this state shall be  
20 given first preference and agricultural products offered by Texas  
21 bidders shall be given second preference, if the cost to the state  
22 and quality are equal.

23 (b) If goods, including agricultural products,  
24 manufactured, produced, or grown in this state or offered by Texas

1 bidders are not equal in cost and quality to other products, then  
2 goods, including agricultural products, manufactured, produced, or  
3 grown in other states of the United States shall be given preference  
4 over foreign products if the cost to the state and quality are  
5 equal.

6 (c) In this section:

7 (1) "Agricultural products" includes textiles and  
8 other similar products.

9 (2) "Manufactured" means, with respect to assembled  
10 goods, the final assembly, processing, packaging, testing, or other  
11 process that adds value, quality, or reliability.

12 (3) [~~1-a~~] "Service-disabled veteran" means a person  
13 who is a veteran as defined by 38 U.S.C. Section 101(2) and who has a  
14 service-connected disability as defined by 38 U.S.C. Section  
15 101(16).

16 (4) [~~2~~] "Texas bidder" means a business:

17 (A) incorporated in this state;

18 (B) that has its principal place of business in  
19 this state; or

20 (C) that has an established physical presence in  
21 this state.

22 SECTION 2. The change in law made by this Act applies only  
23 to a contract for goods that is entered into on or after the  
24 effective date of this Act. A contract entered into before the  
25 effective date of this Act is governed by the law in effect on the  
26 date the contract was entered into, and the former law is continued  
27 in effect for that purpose.

1 SECTION 3. This Act takes effect September 1, 2013.