

1-1 By: Harper-Brown (Senate Sponsor - Paxton) H.B. No. 3648
1-2 (In the Senate - Received from the House May 10, 2013;
1-3 May 10, 2013, read first time and referred to Committee on
1-4 Government Organization; May 17, 2013, reported adversely, with
1-5 favorable Committee Substitute by the following vote:
1-6 Yeas 5, Nays 0; May 17, 2013, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13			X	
1-14	X			
1-15			X	

1-16 COMMITTEE SUBSTITUTE FOR H.B. No. 3648 By: Schwertner

1-17 A BILL TO BE ENTITLED
1-18 AN ACT

1-19 relating to the award and performance of certain state contracts.
1-20 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
1-21 SECTION 1. Subchapter B, Chapter 2155, Government Code, is
1-22 amended by adding Section 2155.088 to read as follows:
1-23 Sec. 2155.088. MATERIAL CHANGES TO CONTRACTS. (a)
1-24 Notwithstanding any other law, the performance of a contract for
1-25 goods or services awarded under this chapter must substantially
1-26 comply with the terms contained in the written solicitation for the
1-27 contract and the terms considered in awarding the contract,
1-28 including terms regarding cost of materials or labor, duration,
1-29 price, schedule, and scope.
1-30 (b) After a contract for goods or services is awarded under
1-31 this chapter, the governing body of a state agency, if applicable,
1-32 must hold a meeting to consider a material change to the contract
1-33 and why that change is necessary. For purposes of this section, a
1-34 material change includes:
1-35 (1) extending the length of or postponing the
1-36 completion of a contract for six months or more; or
1-37 (2) increasing the total consideration to be paid
1-38 under a contract by at least 10 percent, including by substituting
1-39 certain goods, materials, products, or services.
1-40 SECTION 2. Section 2252.002, Government Code, is amended to
1-41 read as follows:
1-42 Sec. 2252.002. AWARD OF CONTRACT TO NONRESIDENT BIDDER. A
1-43 governmental entity may not award a governmental contract to a
1-44 nonresident bidder unless the nonresident underbids the lowest bid
1-45 submitted by a responsible resident bidder by an amount that is not
1-46 less than the greater of the following:
1-47 (1) the amount by which a resident bidder would be
1-48 required to underbid the nonresident bidder to obtain a comparable
1-49 contract in the state in which the nonresident's principal place of
1-50 business is located; or
1-51 (2) the amount by which a resident bidder would be
1-52 required to underbid the nonresident bidder to obtain a comparable
1-53 contract in the state in which a majority of the manufacturing
1-54 relating to the contract will be performed.
1-55 SECTION 3. (a) Section 2155.088, Government Code, as added
1-56 by this Act, applies only to a contract for goods or services
1-57 awarded under Chapter 2155, Government Code, on or after the
1-58 effective date of this Act.
1-59 (b) Section 2252.002, Government Code, as amended by this
1-60 Act, applies only to the award of a governmental contract to a

2-1 nonresident bidder on or after the effective date of this Act. The
2-2 award of a governmental contract to a nonresident bidder made
2-3 before the effective date of this Act is governed by the law in
2-4 effect at the time the contract was awarded, and the former law is
2-5 continued in effect for that purpose.

2-6 SECTION 4. This Act takes effect immediately if it receives
2-7 a vote of two-thirds of all the members elected to each house, as
2-8 provided by Section 39, Article III, Texas Constitution. If this
2-9 Act does not receive the vote necessary for immediate effect, this
2-10 Act takes effect September 1, 2013.

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