

By: Birdwell, Nichols

S.B. No. 216

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the continuation and functions of the Department of
3 Information Resources and certain procurement functions of the
4 comptroller of public accounts.

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

6 SECTION 1. Section 2054.005(a), Government Code, is amended
7 to read as follows:

8 (a) The Department of Information Resources is subject to
9 Chapter 325 (Texas Sunset Act). Unless continued in existence as
10 provided by that chapter, the department is abolished and this
11 chapter expires September 1, 2021 [~~2013~~].

12 SECTION 2. Section 2054.021(g), Government Code, is amended
13 to read as follows:

14 (g) The training program must provide information to the
15 person regarding:

16 (1) this chapter and the board [~~the enabling~~
17 ~~legislation that created the department and its policymaking body~~]
18 to which the person is appointed to serve;

19 (2) the programs operated by the department;

20 (3) the role and functions of the department;

21 (4) the rules of the department, with an emphasis on
22 the rules that relate to disciplinary and investigatory authority;

23 (5) the current budget for the department;

24 (6) the results of the most recent formal audit of the

1 department;

2 (7) the requirements of the:

3 (A) open meetings law, Chapter 551;

4 (B) open records law, Chapter 552; and

5 (C) administrative procedure law, Chapter 2001;

6 (8) the requirements of the conflict of interest laws
7 and other laws relating to public officials; ~~and~~

8 (9) any applicable ethics policies adopted by the
9 department or the Texas Ethics Commission; and

10 (10) contract management training.

11 SECTION 3. Section 2054.022(c), Government Code, is amended
12 to read as follows:

13 (c) An employee of the department, other than the executive
14 director, +

15 ~~[(1) may not participate in the department's bidding~~
16 ~~process, including the proposal development related to a contract~~
17 ~~and the negotiation of a contract, if:~~

18 ~~[(A) the employee receives more than five percent~~
19 ~~of the employee's income from any likely bidder on the contract; or~~

20 ~~[(B) the employee's spouse is employed by any~~
21 ~~likely bidder on the contract; and~~

22 ~~[(2)]~~ may not:

23 (1) ~~[(A)]~~ be a person required to register as a
24 lobbyist under Chapter 305 because of the person's activities for
25 compensation on behalf of a business entity that has, or on behalf
26 of a trade association of business entities that have, a
27 substantial interest in the information resources technologies

1 industry; or

2 (2) [~~(B)~~] be employed by a state agency as a
3 consultant on information resources technologies.

4 SECTION 4. Subchapter B, Chapter 2054, Government Code, is
5 amended by adding Section 2054.0331 to read as follows:

6 Sec. 2054.0331. CUSTOMER ADVISORY COMMITTEE. (a) The
7 board shall appoint a customer advisory committee under Section
8 2054.033.

9 (b) The advisory committee is composed of representatives
10 of customers who receive services from each of the department's key
11 programs, including state agencies with fewer than 100 employees,
12 and the public.

13 (c) In making appointments to the advisory committee, the
14 board shall, to the extent practicable, ensure that the committee
15 is composed of a cross-section of the department's customers,
16 including institutions of higher education, and the public.

17 (d) The advisory committee shall report to and advise the
18 board on the status of the department's delivery of critical
19 statewide services.

20 SECTION 5. Subchapter B, Chapter 2054, Government Code, is
21 amended by adding Sections 2054.0345 and 2054.0346 to read as
22 follows:

23 Sec. 2054.0345. DETERMINATION OF ADMINISTRATIVE FEES. (a)
24 The department shall adopt a process to determine the amount of the
25 administrative fee the department charges to administer any of its
26 programs, including fees charged for programs under Sections
27 2054.380 and 2170.057.

1 (b) The process must require that the amount of a fee
2 directly relate to the amount necessary for the department to
3 recover the cost of its operations, as determined by the
4 department's annual budget process.

5 (c) The department shall develop clear procedures directing
6 staff for each department program and the department's financial
7 staff to work together to determine the amount of administrative
8 fees. The procedures must require review and approval of all
9 administrative fees by the board, the executive director, and the
10 department's chief financial officer.

11 Sec. 2054.0346. REPORTING OF ADMINISTRATIVE FEES. (a) The
12 department shall report to the Legislative Budget Board all
13 administrative fees that the department sets under Section
14 2054.0345 each fiscal year. The report must include:

15 (1) the underlying analysis and methodology used to
16 determine the fee amounts; and

17 (2) the cost allocation charged to customers.

18 (b) The department shall post on the department's Internet
19 website information about each administrative fee the department
20 charges, including a description of how the fee is determined. The
21 department must update this information when a contract amendment
22 or other action results in a major change to the costs incurred or
23 the price paid by the department or a customer of the department.

24 SECTION 6. Subchapter B, Chapter 2054, Government Code, is
25 amended by adding Section 2054.037 to read as follows:

26 Sec. 2054.037. NEGOTIATED RULEMAKING; ALTERNATIVE DISPUTE
27 RESOLUTION. (a) The board shall develop and implement a policy to

1 encourage the use of:

2 (1) negotiated rulemaking procedures under Chapter
3 2008 for the adoption of department rules; and

4 (2) appropriate alternative dispute resolution
5 procedures under Chapter 2009 to assist in the resolution of
6 internal and external disputes under the department's
7 jurisdiction.

8 (b) The department's procedures relating to alternative
9 dispute resolution must conform, to the extent possible, to any
10 model guidelines issued by the State Office of Administrative
11 Hearings for the use of alternative dispute resolution by state
12 agencies.

13 (c) The department shall:

14 (1) coordinate the implementation of the policy
15 adopted under Subsection (a);

16 (2) provide training as needed to implement the
17 procedures for negotiated rulemaking or alternative dispute
18 resolution; and

19 (3) collect data concerning the effectiveness of those
20 procedures.

21 SECTION 7. Subchapter B, Chapter 2054, Government Code, is
22 amended by adding Sections 2054.038, 2054.039, and 2054.040 to read
23 as follows:

24 Sec. 2054.038. INTERNAL AUDITOR; POWERS AND DUTIES. (a)
25 The board shall:

26 (1) appoint an internal auditor who reports directly
27 to the board and serves at the will of the board; and

1 (2) provide staff and other resources to the internal
2 auditor as appropriate.

3 (b) The internal auditor shall prepare an annual audit plan
4 using risk assessment techniques to rank high-risk functions in the
5 department. The internal auditor shall submit the annual audit
6 plan to the board for consideration and approval. The board may
7 change the plan as necessary or advisable.

8 (c) The internal auditor may bring before the board an issue
9 outside of the annual audit plan that requires the immediate
10 attention of the board.

11 (d) The internal auditor may not be assigned any operational
12 or management responsibilities that impair the ability of the
13 internal auditor to make an independent examination of the
14 department's operations. The internal auditor may provide guidance
15 or other advice before an operational or management decision is
16 made but may not make the decision, approve the decision, or
17 otherwise violate this subsection.

18 (e) The department shall give the internal auditor
19 unrestricted access to the activities and records of the department
20 unless restricted by other law.

21 Sec. 2054.039. OPEN MEETINGS EXCEPTION FOR INTERNAL
22 AUDITOR. A meeting between the board and the department's internal
23 auditor to discuss issues related to fraud, waste, or abuse is not
24 required to be an open meeting under Chapter 551.

25 Sec. 2054.040. AUDIT SUBCOMMITTEE. (a) The board shall
26 maintain an audit subcommittee of the board. The subcommittee
27 shall oversee the department's internal auditor and any other audit

1 issues that the board considers appropriate.

2 (b) The subcommittee shall evaluate whether the internal
3 auditor has sufficient resources to perform the auditor's duties
4 and ensure that sufficient resources are available.

5 SECTION 8. Subchapter B, Chapter 2054, Government Code, is
6 amended by adding Section 2054.041 to read as follows:

7 Sec. 2054.041. ADDITIONAL BOARD OVERSIGHT. (a) The board
8 shall adopt a policy describing the board's role in setting a
9 strategic direction for the department. The policy must address
10 the board's role in developing new initiatives for and service
11 offerings by the department, including requiring the board to
12 evaluate and approve new initiatives for, or categories of,
13 services offered by the department under the department's various
14 programs.

15 (b) The board shall regularly evaluate the extent to which
16 the department fulfills the department's information resources
17 technology mission by providing cost-effective services and
18 meeting customer needs.

19 (c) The board shall regularly evaluate department
20 operations, including an evaluation of analytical data and
21 information regarding trends in department revenue and expenses, as
22 well as performance information.

23 SECTION 9. Subchapter C, Chapter 2054, Government Code, is
24 amended by adding Section 2054.061 to read as follows:

25 Sec. 2054.061. USE OF CONSULTANTS AND OUTSIDE STAFF. (a)
26 The department shall develop clear criteria for the appropriate use
27 of consultants and outside staff by the department to temporarily

1 augment the department's existing staff.

2 (b) The department shall annually analyze:

3 (1) the department's staffing needs;

4 (2) the need for and cost-effectiveness of contracting
5 for consultants and outside staff;

6 (3) whether the department could use department staff
7 to accomplish tasks proposed for the consultants and outside staff;
8 and

9 (4) whether and what type of training or additional
10 resources are necessary for the department to use the department's
11 own staff to accomplish tasks proposed for the consultants or
12 outside staff.

13 (c) In conjunction with the budget process, the department
14 shall provide the analysis to the board for approval. The
15 department may not hire or train any consultants or outside staff
16 unless it has been approved during this budget process.

17 SECTION 10. Subchapter C, Chapter 2054, Government Code, is
18 amended by adding Sections 2054.062 and 2054.065 to read as
19 follows:

20 Sec. 2054.062. INFORMATION RESOURCES TECHNOLOGIES
21 CONSOLIDATION. (a) The department shall develop a consistent and
22 clear method of measuring the costs and progress of an information
23 resources technology consolidation initiative, including a
24 consolidation under Subchapter L.

25 (b) The department shall work with any entity involved in an
26 information resources technology consolidation to develop an
27 agreed on methodology for collecting and validating data to

1 determine a baseline assessment of costs. The department shall use
2 the data both in the department's initial cost projections and in
3 any later cost comparison. The department shall coordinate with
4 the internal auditor for guidance, subject to Section 2054.038(d),
5 on developing a methodology that provides an objective assessment
6 of costs and project status.

7 (c) Using the methodology agreed on under Subsection (b),
8 the department shall evaluate actual costs and cost savings related
9 to the consolidation. The department shall also evaluate the
10 progress of the department's information resources consolidation
11 projects compared to the initially projected timelines for
12 implementation. The evaluation results must break out the
13 information on both statewide and individual entity levels.

14 (d) The department shall annually report the evaluation
15 results to:

- 16 (1) the board;
17 (2) the Legislative Budget Board; and
18 (3) customers involved in the consolidation.

19 (e) The department shall post on the department's Internet
20 website the report required by this section.

21 Sec. 2054.065. REVIEW OF CERTAIN CONTRACT SOLICITATIONS.

22 (a) In this section:

23 (1) "Major contract" means a contract that has a
24 value of at least \$1 million.

25 (2) "Team" means the Contract Advisory Team
26 established under Subchapter C, Chapter 2262.

27 (b) For any solicitation of a major contract the department

1 is required to submit for review by the team, the department shall:
2 (1) implement any recommendations made by the team
3 regarding the solicitation; or
4 (2) provide a written explanation of why the team's
5 recommendations cannot be implemented.

6 SECTION 11. Sections 2054.260(a) and (b), Government Code,
7 are amended to read as follows:

8 (a) Not later than November 15 [~~September 1~~] of each
9 even-numbered year, the department shall report on the status,
10 progress, benefits, and efficiency gains of the project. The
11 department shall provide the report to:

- 12 (1) the presiding officer of each house of the
13 legislature;
14 (2) the chair of each committee in the legislature
15 that has primary jurisdiction over the department;
16 (3) the governor; and
17 (4) each state agency or local government
18 participating in the project.

19 (b) Not later than November 15 [~~September 1~~] of each
20 even-numbered year, the department shall report on financial
21 matters, including project costs and revenues, and on any
22 significant issues regarding contract performance on the project.

23 SECTION 12. Subchapter L, Chapter 2054, Government Code, is
24 amended by adding Section 2054.392 to read as follows:

25 Sec. 2054.392. STATEWIDE TECHNOLOGY ACCOUNT. The
26 comptroller shall establish in the state treasury the statewide
27 technology account. The account is a revolving fund account for the

1 administration of this subchapter. The account is the depository
2 for all money received from entities served under this subchapter.
3 Money in the account may be used only for the operation and
4 management of a statewide technology center or for any other
5 purpose specified by the legislature.

6 SECTION 13. Chapter 2054, Government Code, is amended by
7 adding Subchapters O and P to read as follows:

8 SUBCHAPTER O. MAJOR OUTSOURCED CONTRACTS

9 Sec. 2054.521. MAJOR OUTSOURCED CONTRACT DEFINED; RULE.

10 The board by rule shall define what constitutes a major outsourced
11 contract with regard to contracts the department executes with
12 entities other than this state or a political subdivision of this
13 state. The definition must include as a major outsourced contract:

14 (1) outsourced contracts entered into under
15 Subchapter I and Subchapter L of this chapter or Chapter 2170; and

16 (2) contracts that exceed a monetary threshold, other
17 than those described by Subdivision (1).

18 Sec. 2054.522. BOARD APPROVAL AND OVERSIGHT OF MAJOR

19 OUTSOURCED CONTRACTS. (a) The department must receive approval
20 from the board before:

21 (1) entering into a major outsourced contract; or

22 (2) amending any major outsourced contract, if the
23 amendment has significant statewide impact.

24 (b) The board shall establish one or more subcommittees to
25 monitor the department's major outsourced contracts.

26 Sec. 2054.523. MANAGEMENT PLANS FOR MAJOR OUTSOURCED

27 CONTRACTS. (a) The department shall specify procedures for

1 administering, monitoring, and overseeing each major outsourced
2 contract by creating a management plan for each contract. In each
3 management plan, the department shall specify the department's
4 approach to managing and mitigating the risks inherent in each
5 contract.

6 (b) Department staff who perform contract administration
7 and program duties shall jointly develop the management plans with
8 input from executive management and the board. Each management plan
9 must be approved by the executive director.

10 (c) Each management plan must establish clear lines of
11 accountability and coordination of contract activities. The plan
12 must provide details about implementing the program that is the
13 subject of the contract as well as procedures for monitoring
14 contractor performance, identifying and mitigating risks related
15 to the contract, and involving and communicating with customers who
16 will be served by any programs implemented through the contract. As
17 appropriate, the plan must define an approach for transitioning
18 from one major outsourced contract to another major outsourced
19 contract.

20 (d) The department shall revise each management plan:

21 (1) as necessary to keep current during the
22 contracting process; and

23 (2) when the department renews, amends, or resolicits
24 a major outsourced contract to ensure the plan remains updated and
25 incorporates any changes resulting from a new contract.

26 Sec. 2054.524. CUSTOMER INVOLVEMENT IN MAJOR OUTSOURCED
27 CONTRACTS. The department shall establish formal procedures to

1 ensure customer involvement in decision making regarding each of
2 the department's major outsourced contracts, including initial
3 analysis, solicitation development, and contract award and
4 implementation, that affect those customers.

5 SUBCHAPTER P. ADDITIONAL PROVISIONS ON CONTRACTING

6 Sec. 2054.551. DEFINITION. In this subchapter, "contract
7 management guide" means the guide developed under this subchapter.

8 Sec. 2054.552. CONFLICT OF INTEREST IN CONTRACTING. (a) A
9 department employee may not:

10 (1) have an interest in, or in any manner be connected
11 with, a contract or bid for a purchase of goods or services by the
12 department; or

13 (2) in any manner, including by rebate or gift,
14 directly or indirectly accept or receive from a person to whom a
15 contract may be awarded anything of value or a promise, obligation,
16 or contract for future reward or compensation.

17 (b) A department employee who violates Subsection (a)(2) is
18 subject to dismissal.

19 (c) The board shall adopt rules to implement this section.

20 (d) The department shall train staff in the requirements of
21 this section and Section 572.054 and incorporate the requirements
22 into the contract management guide and the department's internal
23 policies, including employee manuals.

24 Sec. 2054.553. CONTRACT MANAGEMENT TRAINING POLICY. (a)
25 The department shall develop a policy for training department staff
26 in contract management.

27 (b) The policy must establish contract management training

1 requirements for all staff involved in contract management,
2 including contract managers, program staff, and executive
3 management.

4 (c) The policy must specify the department's overall
5 approach to procuring and managing contracts, as well as
6 contract-specific procedures developed in the contract management
7 guide and under Subchapter O.

8 Sec. 2054.554. CONTRACT MANAGEMENT GUIDE; RULES. (a) The
9 department shall develop and periodically update a contract
10 management guide to provide an overall, consistent approach on
11 procurement and management of major outsourced contracts under
12 Subchapter O and other contracts. In updating the guide, the
13 department shall make changes based on contract experiences and
14 account for changing conditions to guide the updates.

15 (b) The department shall coordinate with the department's
16 internal auditor, subject to Section 2054.038(d), as needed for
17 assistance and guidance in developing procedures in the contract
18 management guide for monitoring contracts and individual
19 contractors.

20 (c) The board may adopt rules necessary to develop or update
21 the contract management guide.

22 (d) The contract management guide must provide information
23 regarding the department's:

24 (1) general approach to business case analysis,
25 procurement planning, contract solicitation, contract execution,
26 and contract monitoring and oversight;

27 (2) ethics standards and policies, including those

1 required by Section 2054.552; and

2 (3) approach to changing a program's internal
3 structure or model for delivering services to customers.

4 (e) The contract management guide must:

5 (1) establish clear lines of accountability, staff
6 roles and responsibilities, and decision-making authority for
7 program staff, contract management staff, executive management,
8 customers, and the board;

9 (2) include the procedures established under Section
10 2054.524 regarding customer involvement; and

11 (3) establish the department's process for evaluating
12 and managing risk during each stage of contract procurement,
13 implementation, and management.

14 (f) The contract management guide must describe the
15 expectations and standards for obtaining and using customer input
16 during all contract management phases.

17 SECTION 14. Section 2151.0041(a), Government Code, is
18 amended to read as follows:

19 (a) The comptroller's authority to perform any act under
20 this title that relates to state purchasing [~~transfer of powers and~~
21 duties to the comptroller under Section 2151.004(d) and under House
22 Bill 3560, Acts of the 80th Legislature, Regular Session, 2007,] is
23 subject to Chapter 325 (Texas Sunset Act). Notwithstanding any
24 other law, that authority expires September 1, 2021, unless
25 continued in existence as provided by Chapter 325.

26 SECTION 15. Chapter 2151, Government Code, is amended by
27 adding Section 2151.0042 to read as follows:

1 Sec. 2151.0042. SUNSET EVALUATION. (a) The Sunset
2 Advisory Commission shall evaluate the state's overall procurement
3 system, including the provisions of this subtitle and Chapter 2054.
4 The evaluation may include any provision in state law that relates
5 to procurement and contracting for goods and services. The
6 commission shall present not later than January 1, 2021, a report to
7 the legislature on its evaluation and recommendations in relation
8 to the report's findings.

9 (b) In conducting the evaluation required under Subsection
10 (a), the commission may request the assistance of the Legislative
11 Budget Board, the state auditor, and each standing committee of the
12 senate and house of representatives having primary jurisdiction
13 over matters relating to state procurement.

14 SECTION 16. Subchapter A, Chapter 2155, Government Code, is
15 amended by adding Section 2155.007 to read as follows:

16 Sec. 2155.007. PROCUREMENT COORDINATION COMMITTEE. (a) In
17 this section, "department" means the Department of Information
18 Resources.

19 (b) The department and the comptroller shall establish a
20 committee composed of essential personnel of the department and the
21 comptroller to:

22 (1) identify:

23 (A) areas of overlap in the procurement functions
24 of the department and the comptroller and methods to avoid
25 duplication of services;

26 (B) mutually beneficial contracting and
27 procurement methodologies, data collection and management

1 techniques, and customer relations management;

2 (C) opportunities for collaboration on
3 procurement functions that would benefit the state or other
4 customers; and

5 (D) opportunities for consolidation of
6 administrative or other functions to improve customer service and
7 reduce operating costs; and

8 (2) develop:

9 (A) a standardized method for the department and
10 the comptroller to:

11 (i) collect and analyze spending data
12 relating to procurement contracts; and

13 (ii) benchmark and quantitatively measure
14 cost savings and increased administrative efficiency resulting
15 from collaboration and cooperative purchasing; and

16 (B) strategies that encourage coordination
17 between the department and the comptroller relating to procurement
18 functions.

19 (c) The committee may appoint advisory members as
20 appropriate to assist the committee.

21 (c-1) The committee shall report to the Sunset Advisory
22 Commission the committee's findings under Subsection (b). The
23 committee shall file a first report on September 1, 2015, that
24 covers the two-year period preceding that date. The committee
25 shall file a second report on September 1, 2017, that covers the
26 two-year period preceding that date.

27 (c-2) The department and the comptroller shall publish the

1 reports required under Subsection (c-1) on the department's and the
2 comptroller's Internet websites.

3 (c-3) In addition to the reports required under Subsection
4 (c-1), the department and the comptroller shall include the
5 analysis prescribed by Subsection (b) in a report filed under
6 Section 325.007. For purposes of this subsection, the comptroller
7 shall file a report as required by Section 325.007, but only to the
8 extent required by Section 2151.0041(a).

9 (c-4) This subsection and Subsections (c-1), (c-2), and
10 (c-3) expire October 1, 2019.

11 SECTION 17. Section 2157.068(b), Government Code, is
12 amended to read as follows:

13 (b) The department shall negotiate with vendors to obtain
14 the best value for the state in the purchase of commodity items.
15 When negotiating with a vendor, the department shall use
16 information related to the state's historical spending levels on
17 particular commodity items to secure the best value for the state.
18 The department may consider strategic sourcing and other
19 methodologies to select the vendor offering the best value on
20 commodity items. The terms and conditions of a license agreement
21 between a vendor and the department under this section may not be
22 less favorable to the state than the terms of similar license
23 agreements between the vendor and retail distributors. The
24 department shall, to the greatest extent practicable, negotiate a
25 specific price for commonly purchased commodity items. If the
26 department selects a vendor based on the vendor's offer of a
27 percentage discount from the list price of commodity items, the

1 department shall document in writing how that arrangement obtains
2 the best value for the state.

3 SECTION 18. Subchapter B, Chapter 2157, Government Code, is
4 amended by adding Section 2157.069 to read as follows:

5 Sec. 2157.069. CLEARING FUND ACCOUNT. The comptroller
6 shall establish in the state treasury the clearing fund account.
7 The account is a revolving fund account for the administration of
8 Section 2157.068. The account is the depository for all money
9 received from entities served under that section. Money in the
10 account may be used only to administer that section or for any other
11 purpose specified by the legislature.

12 SECTION 19. Section 2161.121(d), Government Code, is
13 amended to read as follows:

14 (d) The commission shall send to the presiding officer of
15 each house of the legislature:

16 (1) on May [April] 15 of each year, a report on the
17 previous six-month period; and

18 (2) on November 15 of each year, a report on the
19 preceding fiscal year [to the joint committee charged with
20 monitoring the implementation of the historically underutilized
21 business goals].

22 SECTION 20. Section 2161.126, Government Code, is amended
23 to read as follows:

24 Sec. 2161.126. EDUCATION AND OUTREACH BY COMMISSION.
25 Before October 15 [September 1] of each year, the commission shall
26 report to the governor, the lieutenant governor, and the speaker of
27 the house of representatives on the education and training efforts

1 that the commission has made toward historically underutilized
2 businesses. The report must include the following as related to
3 historically underutilized businesses:

4 (1) the commission's vision, mission, and philosophy;

5 (2) marketing materials and other educational
6 materials distributed by the commission;

7 (3) the commission's policy regarding education,
8 outreach, and dissemination of information;

9 (4) goals that the commission has attained during the
10 fiscal year;

11 (5) the commission's goals, objectives, and expected
12 outcome measures for each outreach and education event; and

13 (6) the commission's planned future initiatives on
14 education and outreach.

15 SECTION 21. Chapter 122, Human Resources Code, is amended
16 by adding Section 122.0012 to read as follows:

17 Sec. 122.0012. SUNSET PROVISION. The comptroller's
18 authority to perform any act under this chapter that relates to
19 state purchasing is subject to Chapter 325, Government Code (Texas
20 Sunset Act). Notwithstanding any other law, that authority expires
21 September 1, 2021, unless continued in existence as provided by
22 Chapter 325, Government Code.

23 SECTION 22. The following provisions of the Government Code
24 are repealed:

25 (1) Section 497.030;

26 (2) Section 2054.005(b);

27 (3) Sections 2151.0041(b) and (c); and

1 (4) Section 2161.121(e).

2 SECTION 23. Sections 2054.260 and 2161.121, Government
3 Code, as amended by this Act, apply only to a report due under those
4 sections on or after September 1, 2013. A report due before
5 September 1, 2013, is governed by the law in effect on the date the
6 report was due, and the former law is continued in effect for that
7 purpose.

8 SECTION 24. Not later than March 1, 2014, the Department of
9 Information Resources and the comptroller of public accounts shall
10 enter into a memorandum of understanding to facilitate the
11 implementation of Section 2155.007, Government Code, as added by
12 this Act.

13 SECTION 25. Sections 2054.522 and 2054.552, Government
14 Code, as added by this Act, and Section 2157.068(b), Government
15 Code, as amended by this Act, apply only to a contract for which a
16 solicitation of bids or proposals or similar expressions of
17 interest is published on or after September 1, 2013. A contract for
18 which a solicitation of bids or proposals or similar expressions of
19 interest is published before September 1, 2013, is governed by the
20 law in effect on the date the state agency first publishes the
21 solicitation of bids or proposals or similar expressions of
22 interest, and the former law is continued in effect for that
23 purpose.

24 SECTION 26. This Act takes effect September 1, 2013.