

House Bill 535
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

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

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

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

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

(b) If goods, including agricultural products, manufactured, produced, or grown in this state or offered by Texas bidders are not equal in cost and quality to other products, then goods, including agricultural products, manufactured, produced, or grown in other states of the United States shall be given preference over foreign products if the cost to the state and quality are equal.

(c) In this section:

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

(2) "Manufactured" means, with respect to a manufactured good, an item produced as a result of a manufacturing process that alters the form or function of components, including articles, materials, or supplies, that are directly incorporated into the item in a manner that adds value and transforms the

SENATE VERSION (CS)

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components into a finished item that is functionally distinct from a finished item produced merely from assembling the components into the item.

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

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

- (A) incorporated in this state;
- (B) that has its principal place of business in this state; or
- (C) that has an established physical presence in this state.

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

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

SENATE VERSION (CS)

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SECTION 2. Same as House version.

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CONFERENCE