

Amend CSHB 15 (house committee printing) as follows:

(1) On page 1, strike line 7 and substitute the following:

(g) Notwithstanding any other law and except as provided by Section 2262.202, Chapters 2261 and 2262 do

(2) Strike SECTIONS 3, 4, and 15 of the bill.

(3) On page 6, line 24, strike "or".

(4) On page 6, strike lines 25-27 and substitute the following:

(iv) has a value of more than \$1 million and is awarded on an emergency basis or is a sole source contract; or

(v) has a value of more than \$1 million and has change orders that increase the cost of the contract by more than 20 percent of the original contract cost, excluding routine contract renewals.

(5) On page 7, lines 8 and 9, strike "APPLICATION OF SUBCHAPTER TO TEXAS DEPARTMENT OF TRANSPORTATION." and substitute "APPLICABILITY OF SUBCHAPTER. (a)".

(6) On page 7, between lines 14 and 15, insert the following:

(b) This subchapter does not apply to a contract of the Employees Retirement System of Texas or the Teacher Retirement System of Texas except for a contract with a nongovernmental entity for claims administration of a group health benefit plan under Subtitle H, Title 8, Insurance Code.

(7) On page 7, lines 20 and 21, strike "approve an action related to a high-risk contract" and substitute "review high-risk contracts".

(8) On page 7, line 24, strike "and".

(9) On page 7, line 27, strike the underscored period and substitute the following:

; and

(5) coordinate and consult with the comptroller to:

(A) develop criteria for high-risk contracts under Section 2262.201(1)(E);

(B) identify strategies to mitigate contract risks; and

(C) monitor contract activity using information

from the centralized accounting and payroll system or any successor system used to implement the enterprise resource planning component of the uniform statewide accounting project developed under Sections 2101.035 and 2101.036.

(10) On page 8, line 1, strike "APPROVAL" and substitute "REVIEW".

(11) Strike page 8, lines 5-16 and substitute the following:

(b) A state agency must submit to the team information and documentation requested by the team that relate to a high-risk contract, including information on contract development, vendor selection, and ongoing contract oversight.

(c) The team shall review information and documentation submitted under Subsection (b) and make recommendations to ensure that potential risks related to the high-risk contract have been identified and mitigated.

(d) A state agency shall implement the team's recommendations and provide any additional documentation required by the team to demonstrate that risks related to the high-risk contract have been mitigated. If a recommendation made by the team is not implemented, the agency must provide written notice to the team before the 31st day after the date the agency received the recommendation.

(e) If, after receiving notice provided under Subsection (d), the team determines that significant risks related to the high-risk contract remain, the team shall provide written notice of that fact to the Legislative Budget Board, the governor, and the comptroller with a description of the risk and recommendations to mitigate the risk, including cancellation of the high-risk contract.

(f) The team may adopt criteria for waiving the consultation and review requirements of this section.

(12) On page 8, line 17, strike "(a)".

(13) Strike page 8, line 18, through page 9, line 2, and substitute the following:

After review of the written notice provided by the team under Section 2262.204(e), the Legislative Budget Board, the governor, or the comptroller may recommend that a state agency cancel a

solicitation or a high-risk contract if:

(1) a proposed contract would place the state at an unacceptable risk if executed; or

(2) an executed contract is experiencing performance failure or payment irregularities.

(14) Add the following appropriately numbered SECTION to the bill:

SECTION _____. Section 821.009(b), Government Code, is amended to read as follows:

(b) Notwithstanding any other law and in addition to the requirements of Subchapter E, Chapter 2262, before a contract described by Subsection (a) may be entered into by the retirement system, a representative of the office of the attorney general shall review the form and terms of the contract and may make recommendations to the retirement system for changes to the contract if the attorney general determines that the office of the attorney general has sufficient subject matter expertise and resources available to provide this service.

(15) Renumber the sections of the bill appropriately.