

By: Elkins

H.B. No. 3361

A BILL TO BE ENTITLED

1 AN ACT
2 relating to state agency contracts for information technology
3 commodity items and services.

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

5 SECTION 1. Section 2157.068, Government Code, is amended by
6 adding Subsections (b-1), (j), and (k) to read as follows:

7 (b-1) Except as otherwise provided by this subsection, the
8 value of a contract for a commodity item entered into under this
9 section by a state agency, including the value of a renewal or an
10 extension of the contract, may not exceed \$1 million. The
11 limitation prescribed by this subsection does not apply to a
12 department contract for the bulk purchase of commodity items
13 intended for use by more than one state agency.

14 (j) Rules adopted under Subsection (f) must require a state
15 agency entering into a contract for a commodity item under this
16 section to:

17 (1) obtain at least three competitive offers from
18 vendors selected by the department under Subsection (b) if:

19 (A) the value of the agency's contract, including
20 the value of a renewal or an extension of the contract, exceeds
21 \$25,000; and

22 (B) at least three vendors selected by the
23 department under Subsection (b) offer the item;

24 (2) submit purchase orders under the contract to the

1 department for submission by the department to the vendor with
2 which the agency contracts;

3 (3) report to the department the amounts paid by the
4 agency under the contract to the vendor; and

5 (4) notwithstanding Section 441.185, retain all
6 documents relating to the contract for at least three years after
7 the date on which the contract expires.

8 (k) The department shall publish in a conspicuous place on
9 the department's Internet website the payment information reported
10 to the department under Subsection (j)(3) as well as a brief
11 description of the contract under which the payments were made.

12 SECTION 2. Subchapter B, Chapter 2157, Government Code, is
13 amended by adding Section 2157.070 to read as follows:

14 Sec. 2157.070. DELIVERABLES-BASED INFORMATION TECHNOLOGY
15 SERVICES. (a) Except as otherwise provided by this section,
16 Section 2157.068 applies to the purchase of deliverables-based
17 information technology services by a state agency.

18 (b) Notwithstanding Section 2157.068(b-1), the value of a
19 contract entered into with a vendor selected by the department
20 under Section 2157.068(b) for deliverables-based information
21 technology services may not exceed \$3 million.

22 (c) Before a state agency purchases deliverables-based
23 information technology services, the agency must submit the scope
24 of work prepared for the purchase to:

25 (1) the department, for review and approval by the
26 department; and

27 (2) the Contract Advisory Team established under

1 Subchapter C, Chapter 2262, for review by the team.

2 (d) In conducting the review required under Subsection (c),
3 the department must consider whether the services to be purchased
4 under the contract are appropriate for purchase as commodity items
5 under Section 2157.068.

6 (e) An amendment to a contract for deliverables-based
7 information technology services that has the effect of increasing
8 the total value of the contract by 25 percent or more must be
9 approved by the department. The amendment must be reviewed by the
10 Contract Advisory Team established under Subchapter C, Chapter
11 2262. The department must consider the Contract Advisory Team's
12 recommendation.

13 (f) The department shall monitor payments made by a state
14 agency to a vendor selected by the department under Section
15 2157.068(b) for deliverables-based information technology services
16 to ensure compliance with the limitation prescribed by Subsection
17 (b). If a vendor is paid an amount in excess of that limitation, the
18 department shall notify the comptroller and the comptroller may not
19 authorize any expenditure in excess of that limitation.

20 (g) The quality assurance team established under Section
21 2054.158:

22 (1) shall review and monitor each state agency
23 contract for deliverables-based information technology services
24 with a value greater than \$1 million; and

25 (2) may review and analyze the risk associated with a
26 particular contract for deliverables-based information technology
27 services and, based on that review, make appropriate

1 recommendations to the Legislative Budget Board.

2 SECTION 3. The change in law made by this Act applies only
3 to a contract for commodity items that is entered into on or after
4 the effective date of this Act. A contract entered into before the
5 effective date of this Act is governed by the law in effect on the
6 date the contract was entered into, and the former law is continued
7 in effect for that purpose.

8 SECTION 4. This Act takes effect September 1, 2015.