

Amend **CSSB 1289** (house committee printing) by striking everything after the Enacting Clause and insert the following:

SECTION 1. Subchapter G, Chapter 2166, Government Code, is amended by adding Section 2166.3031, 2166.3032, and 2166.3033 to read as follows:

Sec. 2166.3031. UNIFORM PURCHASING CONDITION. (a) In this section:

(1) "Component" means any article, material, or supply, whether a manufactured good or a raw material, that is directly incorporated into a manufactured good.

(2) "Manufactured good" means a product produced as a result of a manufacturing process.

(3) "Manufacturing process" means the application of a process to alter the form or function of the components of a product in a manner that adds value and transforms the components into a new finished product that is functionally different from a finished product produced merely from assembling the components into a product.

(4) "Produced in the United States" means:

(A) with respect to iron and steel products, a product for which all manufacturing processes, from initial melting through application of coatings, occur in the United States, other than metallurgical processes to refine steel additives; and

(B) with respect to manufactured goods, a manufactured good for which:

(i) all of the manufacturing processes that produced the manufactured good occur in the United States; and

(ii) more than 60 percent of the components of the manufactured good, by cost, originate or are manufactured in the United States.

(b) For purposes of Subsection (a)(4)(B)(ii), if a component originates in the United States, the entire cost of that component is included in the calculation under that subparagraph of the percentage of the component costs for the manufactured good.

(c) Except as provided by Subsection (d), the uniform general conditions for a construction project in which iron, steel, or manufactured goods will be used must require that the bid documents

provided to all bidders and the contract include a requirement that the iron, steel, and manufactured goods used in the project be produced in the United States.

(d) Subsection (c) does not apply to a project for which the governing body of the governmental entity responsible for the project determines that:

(1) iron, steel, or specific manufactured goods are not produced in the United States in sufficient and reasonably available quantities and of satisfactory quality; or

(2) inclusion of iron, steel, or specific manufactured goods produced in the United States will increase the total cost of the iron, steel, or specific manufactured goods for the project by more than 15 percent.

(e) This section applies to a project otherwise exempted from the application of this chapter by Sections 2166.003 and 2166.004.

Sec. 2166.3032. INTERNATIONAL AGREEMENTS. This subchapter shall be applied in a manner consistent with this state's obligations under any international agreement.

Sec. 2166.3033. CONFLICT OF LAW. To the extent of any conflict or inconsistency, this subchapter prevails over any other state law relating to the use of iron and steel products in projects directly funded by a governmental entity or financed by funds administered by a governmental entity.

SECTION 2. Section 2166.003(b), Government Code, is amended to read as follows:

(b) Only Sections 2166.104, 2166.151, 2166.152, 2166.153, 2166.154, 2166.155, 2166.251, 2166.252, and 2166.3031 and Subchapter H apply to a construction project undertaken by or for the Texas Department of Criminal Justice for the imprisonment of individuals convicted of felonies other than state jail felonies.

SECTION 3. Section 2166.3031, Government Code, as added by this Act, applies only to bid documents submitted or contracts entered into on or after the effective date of this Act.

SECTION 4. This Act takes effect September 1, 2017.