By: Schwertner, et al.

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S.B. No. 23

A BILL TO BE ENTITLED

AN ACT

2 relating to requiring state contractors to participate in the 3 federal electronic verification of employment authorization 4 program, or E-verify.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
SECTION 1. The heading to Chapter 2264, Government Code, is
amended to read as follows:

8 CHAPTER 2264. <u>CERTAIN</u> RESTRICTIONS ON [USE OF CERTAIN] PUBLIC
 9 SUBSIDIES AND STATE CONTRACTS

10 SECTION 2. Section 2264.101, Government Code, is 11 transferred to Subchapter B, Chapter 2264, Government Code, 12 redesignated as Section 2264.054, Government Code, and amended to 13 read as follows:

Sec. <u>2264.054</u> [2264.101]. 14 RECOVERY. (a) А public local taxing jurisdiction, or economic development 15 agency, 16 corporation, or the attorney general on behalf of the state or a state agency, may bring a civil action to recover any amounts owed 17 to the public agency, state or local taxing jurisdiction, or 18 economic development corporation under this subchapter [chapter]. 19

(b) The public agency, local taxing jurisdiction, economic
development corporation, or attorney general, as applicable, shall
recover court costs and reasonable attorney's fees incurred in an
action brought under Subsection (a).

24 (c) A business is not liable for a violation of this

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S.B. No. 23 subchapter [chapter] by a subsidiary, affiliate, or franchisee of 1 the business, or by a person with whom the business contracts. 2 3 SECTION 3. The heading to Subchapter C, Chapter 2264, Government Code, is amended to read as follows: 4 5 SUBCHAPTER C. E-VERIFY PROGRAM [ENFORCEMENT] 6 SECTION 4. Subchapter C, Chapter 2264, Government Code, is 7 amended by adding Sections 2264.1011, 2264.102, and 2264.103 to 8 read as follows: Sec. 2264.1011. DEFINITIONS. In this subchapter: 9 (1) "E-verify program" has the meaning assigned by 10 Section 673.001. 11 12 (2) "State agency" has the meaning assigned by Section 13 2103.001. 14 Sec. 2264.102. VERIFICATION BY CONTRACTORS. (a) A state 15 agency may not award a contract for goods or services within this state to a contractor unless the contractor registers with and 16 participates in the E-verify program to verify employee 17 information. The contractor must continue to participate in the 18 19 program during the term of the contract. 20 (b) Each contract with a state agency must include the following statement: 21 (name of con<u>tractor) certifies that</u> 22 (name of contractor) is not ineligible to receive this 23 24 contract under Subchapter C, Chapter 2264, Government Code, and acknowledges that if this certification is inaccurate or becomes 25 26 inaccurate during the term of the contract, the contractor may be barred from participating in state contracts." 27

S.B. No. 23 1 (c) If a state agency determines that a contractor was ineligible to have the contract awarded under Subsection (a) or 2 that a contractor has ceased participation in the E-verify program 3 during the term of the contract, the state agency shall refer the 4 5 matter to the comptroller for action. 6 (d) Each state agency shall develop procedures for the 7 administration of this section. 8 Sec. 2264.103. BARRING FROM STATE CONTRACTS. (a) Using procedures prescribed under Section 2155.077, the comptroller 9 10 shall bar a contractor from participating in state contracts if the 11 comptroller determines that the contractor: 12 (1) was awarded a contract in violation of Section 13 2264.102; or 14 (2) has ceased participation in the E-verify program 15 during the term of the contract. (b) Debarment under this section is for a period of five 16 17 years. (c) A contractor who registers with and participates in the 18 19 E-verify program as provided by Section 2264.102 may not be barred under this section if, as a result of receiving inaccurate 20 verification information from the E-verify program, the contractor 21 hires or employs a person in violation of 8 U.S.C. Section 1324a. 22 SECTION 5. Each state agency subject to Subchapter C, 23 24 Chapter 2264, Government Code, as amended by this Act, shall develop the procedures required under Section 2264.102(d), 25 26 Government Code, as added by this Act, not later than October 1, 27 2017.

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1 SECTION 6. Sections 2264.1011, 2264.102, and 2264.103, 2 Government Code, as added by this Act, apply only in relation to a 3 contract for which the request for bids or proposals or other 4 applicable expression of interest is made public on or after the 5 effective date of this Act.

6 SECTION 7. This Act takes effect September 1, 2017.