

AN ACT

relating to prohibiting governmental contracts with a company doing business with Iran, Sudan, or a foreign terrorist organization.

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

SECTION 1. Chapter 2252, Government Code, is amended by adding Subchapter F to read as follows:

SUBCHAPTER F. PROHIBITION ON CONTRACTS WITH CERTAIN COMPANIES

Sec. 2252.151. DEFINITIONS. In this subchapter:

(1) "Company" has the meaning assigned by Section 806.001.

(2) "Foreign terrorist organization" means an organization designated as a foreign terrorist organization by the United States secretary of state as authorized by 8 U.S.C. Section 1189.

(3) "Governmental contract" means a contract awarded by a governmental entity for general construction, an improvement, a service, or a public works project or for a purchase of supplies, materials, or equipment. The term includes a contract to obtain a professional or consulting service subject to Chapter 2254.

(4) "Governmental entity" has the meaning assigned by Section 2252.001.

Sec. 2252.152. CONTRACTS WITH COMPANIES ENGAGED IN BUSINESS WITH IRAN, SUDAN, OR FOREIGN TERRORIST ORGANIZATION PROHIBITED. A governmental entity may not enter into a governmental contract with

1 a company that is identified on a list prepared and maintained under
2 Section 806.051, 807.051, or 2252.153.

3 Sec. 2252.153. LISTED COMPANIES. The comptroller shall
4 prepare and maintain, and make available to each governmental
5 entity, a list of companies known to have contracts with or provide
6 supplies or services to a foreign terrorist organization.

7 Sec. 2252.154. EXCEPTION. Notwithstanding any other law, a
8 company that the United States government affirmatively declares to
9 be excluded from its federal sanctions regime relating to Sudan,
10 its federal sanctions regime relating to Iran, or any federal
11 sanctions regime relating to a foreign terrorist organization is
12 not subject to contract prohibition under this subchapter.

13 SECTION 2. Subchapter F, Chapter 2252, Government Code, as
14 added by this Act, applies only to a contract or purchase for which
15 a governmental entity first advertises or otherwise solicits bids,
16 proposals, offers, or qualifications on or after the effective date
17 of this Act.

18 SECTION 3. This Act takes effect September 1, 2017.

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 252 passed the Senate on April 3, 2017, by the following vote: Yeas 31, Nays 0; and that the Senate concurred in House amendment on May 15, 2017, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 252 passed the House, with amendment, on May 9, 2017, by the following vote: Yeas 144, Nays 0, three present not voting.

Chief Clerk of the House

Approved:

Date

Governor