

By: Canales

H.B. No. 169

A BILL TO BE ENTITLED

AN ACT

relating to the requirement that contractors verify compliance with wage payment laws in governmental contracts with governmental entities.

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

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

SUBCHAPTER H. CONTRACTING REQUIREMENTS AND RESTRICTIONS

Sec. 2252.251. DEFINITIONS. In this subchapter:

(1) "Contractor" means a person, including a firm or corporation, that enters into a governmental contract with a governmental entity.

(2) "Governmental contract" has the meaning assigned by Section 2252.001.

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

(4) "Subcontractor" means a person, including a firm or corporation, that furnishes labor or materials to fulfill an obligation to a contractor under a governmental contract.

Sec. 2252.252. CERTIFICATION BY CONTRACTOR. (a) A governmental entity may not enter into a governmental contract with a contractor unless the contractor certifies in writing to the entity that during the three years preceding the date of the contract the contractor, including any subcontractor, was not found

1 guilty or liable in any judicial or administrative proceeding more
2 than once for a violation of Chapter 2258 of this code, Chapter 61
3 or 62, Labor Code, including Sections 61.019 and 61.053, Labor
4 Code, Section 31.04, Penal Code, the Fair Labor Standards Act of
5 1938 (29 U.S.C. Section 201 et seq.), the Davis-Bacon Act (40 U.S.C.
6 Section 3141 et seq.), or any similar statute or regulation of any
7 state that governs the payment of wages.

8 (b) Each governmental contract with a governmental entity
9 must include the following statement:

10 "_____ (name of contractor) certifies that _____
11 (name of contractor and any subcontractor) is not ineligible for
12 this contract under Subchapter H, Chapter 2252, Government Code,
13 and acknowledges that, if this certification is inaccurate, the
14 inaccuracy constitutes a default of this contract on notice from
15 the governmental entity and the contractor may be barred from
16 participating in contracts with any governmental entity in this
17 state."

18 Sec. 2252.253. INELIGIBILITY DETERMINATION; DEBARMENT.

19 (a) A governmental entity shall determine a contractor to be
20 ineligible for a governmental contract under Section 2252.252 if:

21 (1) the contractor was awarded a governmental contract
22 in violation of Section 2252.252; or

23 (2) during the term of the contract, the contractor
24 became ineligible for the contract under Section 2252.252(a)
25 because the contractor was found guilty or liable more than once for
26 a violation of a statute or regulation described by that
27 subsection.

1 (b) A governmental entity that determines a contractor is
2 ineligible for a contract under Subsection (a) shall refer the
3 matter to the comptroller for action.

4 (c) Using procedures prescribed by Section 2155.077, the
5 comptroller shall bar a contractor that a governmental entity has
6 determined is ineligible for a contract under Subsection (a) from
7 participating in a governmental contract with a governmental
8 entity.

9 (d) Debarment under this section expires on the third
10 anniversary of the date of the debarment under Subsection (c).

11 Sec. 2252.254. ADMINISTRATIVE PROCEDURES. Each
12 governmental entity shall develop procedures for the
13 administration of this subchapter.

14 SECTION 2. Each governmental entity of this state that is
15 subject to Subchapter H, Chapter 2252, Government Code, as added by
16 this Act, shall develop the procedures required under Section
17 2252.254, Government Code, as added by this Act, not later than
18 October 1, 2019.

19 SECTION 3. Subchapter H, Chapter 2252, Government Code, as
20 added by this Act, applies only to a contract for which the request
21 for bids or proposals or other applicable expressions of interest
22 is made public on or after January 1, 2020.

23 SECTION 4. This Act takes effect September 1, 2019.