

By: Shaheen

H.B. No. 1524

A BILL TO BE ENTITLED

AN ACT

relating to correcting outdated references to the Texas Building and Procurement Commission.

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

SECTION 1. Section 411.064, Government Code, is amended to read as follows:

Sec. 411.064. ASSISTANCE OF TEXAS DEPARTMENT OF TRANSPORTATION OR TEXAS FACILITIES [~~GENERAL SERVICES~~] COMMISSION.

(a) On request of the department, the Texas Department of Transportation and the Texas Facilities [~~General Services~~] Commission shall:

(1) assist the department in the marking and designation of parking lots, parking garages, and parking spaces;

(2) maintain the painting of lines and curb markings; and

(3) furnish and erect direction and information signs.

(b) The department may recover the cost of providing the services described in Subsection (a) from the agency or agencies for which the service was provided. To the extent that either the Texas Facilities [~~General Services~~] Commission or the Texas Department of Transportation provides or assists in providing the services described in Subsection (a), that agency shall be reimbursed by the department from its funds or the funds received from another agency under this subsection.

1 SECTION 2. Section 411.0645(a), Government Code, is amended
2 to read as follows:

3 (a) The department, the City of Austin, the Capital
4 Metropolitan Transportation Authority, the Texas Facilities
5 [~~General Services~~] Commission, the State Preservation Board, and
6 The University of Texas at Austin shall each designate a
7 representative to a committee established for the purpose of
8 coordinating transportation in and adjacent to the Capitol Complex.
9 The representative of the department shall convene the initial
10 meeting of the committee, and the committee shall elect officers
11 and meet as decided by the committee.

12 SECTION 3. Sections 469.106(b) and (d), Government Code,
13 are amended to read as follows:

14 (b) The department and the Texas Facilities [~~Building and~~
15 ~~Procurement~~] Commission shall ensure compliance with the standards
16 and specifications described by Subsection (a) for a building or
17 facility described by Subsection (a) and leased for an annual
18 amount of more than \$12,000 or built by or for the state.

19 (d) If an inspection under Subsection (c) determines that a
20 building or facility does not comply with all applicable standards
21 and specifications, the leasing agency or the Texas Facilities
22 [~~Building and Procurement~~] Commission, as applicable, shall cancel
23 the lease unless the lessor brings the building or facility into
24 compliance not later than:

25 (1) the 60th day after the date the person performing
26 the inspection delivers the results of the inspection to the lessor
27 or the lessor's agent; or

1 (2) a later date established by the commission if
2 circumstances justify a later date.

3 SECTION 4. Section 1232.003(4), Government Code, is amended
4 to read as follows:

5 (4) "Commission" means the Texas Facilities [~~Building~~
6 ~~and Procurement~~] Commission.

7 SECTION 5. Section 2101.0115(c), Government Code, is
8 amended to read as follows:

9 (c) A state agency's annual report must include:

10 (1) the name and job title of each bonded agency
11 employee, the amount of the bond, and the name of the surety company
12 that issued the bond;

13 (2) an analysis of space occupied by the agency,
14 including:

15 (A) the total amount of space rented by the
16 agency, expressed in square feet;

17 (B) the total amount of space occupied by the
18 agency in state-owned buildings, expressed in square feet;

19 (C) the name and address of each building in
20 which the agency occupies space and the amount of square feet in
21 each building devoted to each particular use;

22 (D) the cost per square foot of all rented space;

23 (E) the annual and monthly cost of all rented
24 space;

25 (F) the name of each lessor of space rented by the
26 agency;

27 (G) a description of the agency's progress toward

1 achieving the objective provided by Section 2165.104, if the agency
2 is subject to that section; and

3 (H) any other information helpful to describe the
4 agency's use of space;

5 (3) an itemization of all fees paid by the agency for
6 professional or consulting services provided under Subchapter A or
7 B, Chapter 2254, including the name of each person receiving those
8 fees and the reason for the provision of the services;

9 (4) an itemization of all fees paid by the agency for
10 legal services, other than legal services provided by an agency
11 employee or the attorney general, including the name of each person
12 receiving those fees and the reason for the provision of the
13 services;

14 (5) a copy of the form prepared by the agency under
15 Section 2205.041, relating to the agency's use and cost of
16 operating aircraft that are state-owned or under rental or
17 long-term lease;

18 (6) an itemization of any purchases made under Section
19 2155.067, including each product purchased, the amount of the
20 purchase, and the name of the vendor;

21 (7) for each fiscal year ending in an even-numbered
22 calendar year:

23 (A) a copy of the master file report verification
24 form certified by the General Land Office, if applicable to the
25 agency, to confirm that the agency is in compliance with Subchapter
26 E, Chapter 31, Natural Resources Code; or

27 (B) if the agency's inventory record is

1 inaccurate or incomplete, a statement that the agency will submit
2 the appropriate forms to the General Land Office not later than the
3 15th day after the date the agency submits its annual report;

4 (8) a copy of the report prepared by the agency under
5 Section 2161.124, relating to the agency's use of historically
6 underutilized businesses;

7 (9) a report of each transfer of appropriated money
8 between appropriation items that shows the sum of all transfers
9 affecting each item;

10 (10) an itemization of each passenger vehicle the
11 agency purchased, including the make, model, purchase price,
12 assigned type of use, and fuel efficiency as expressed by the
13 manufacturer's fuel efficiency rating;

14 (11) a schedule, applicable to state agencies
15 determined by the Legislative Budget Board, detailing total
16 expenditures by or on behalf of the agency for:

17 (A) employee benefits, including social
18 security, health insurance, retirement contributions, benefit
19 replacement pay, and workers' and unemployment compensation
20 payments;

21 (B) bond debt service; and

22 (C) payments for general governmental services
23 as defined by the comptroller, including services of the
24 comptroller, the attorney general, the Texas Facilities [~~General~~
25 ~~Services~~] Commission, the Department of Information Resources, and
26 the state auditor;

27 (12) for an institution of higher education, the total

1 amount of lump-sum vacation and compensatory leave payments made to
2 employees who separated from state service during the fiscal year;

3 (13) the name and job title of each state officer or
4 employee authorized to use a state-owned or state-leased vehicle
5 and the reasons for the authorization, in accordance with Section
6 2113.013; and

7 (14) a report of expenditures made for each commodity
8 or service identified under Section 2155.448, including:

9 (A) the total amount spent on those commodities
10 and services;

11 (B) the total amount spent for commodities and
12 services purchased that accomplish the same purpose; and

13 (C) the total amount spent for all other
14 recycled, remanufactured, or environmentally sensitive commodities
15 or services, itemized by type of commodity or service.

16 SECTION 6. Section 2152.0011(b), Government Code, is
17 amended to read as follows:

18 (b) In this chapter, "commission" [~~or "Texas Building and~~
19 ~~Procurement Commission"~~] means the Texas Facilities Commission.

20 SECTION 7. Sections 2155.0011 and 2155.002, Government
21 Code, are amended to read as follows:

22 Sec. 2155.0011. COMPTROLLER POWERS AND [~~TRANSFER OF~~
23 DUTIES [~~, REFERENCE~~]. [~~(a)~~] The comptroller has under this chapter
24 the powers and duties described by Section 2151.004(d) [~~of the~~
25 ~~commission under this chapter are transferred to the comptroller~~].

26 [~~(b) In this chapter, a reference to the commission means~~
27 ~~the comptroller.~~]

1 Sec. 2155.002. [~~COMMISSION~~] FOCUS ON LARGE EXPENDITURES.
2 To the extent possible, the comptroller [~~commission~~] shall focus
3 its efforts under this chapter and Chapters 2156, 2157, and 2158 on
4 purchases and contracts that involve relatively large amounts of
5 money.

6 SECTION 8. Section 2155.061, Government Code, is amended to
7 read as follows:

8 Sec. 2155.061. COMPTROLLER [~~COMMISSION~~] PURCHASING SYSTEM.

9 (a) The comptroller [~~commission~~] shall acquire by purchase, lease,
10 rental, or another manner all goods and services for a state agency,
11 including a purchase that does not require a competitive bid or a
12 spot purchase.

13 (b) The comptroller [~~commission~~] shall operate an effective
14 and economical system for purchasing goods and services.

15 SECTION 9. Section 2155.062(a), Government Code, is amended
16 to read as follows:

17 (a) In purchasing goods and services the comptroller
18 [~~commission~~] may use, but is not limited to, the:

- 19 (1) contract purchase procedure;
- 20 (2) multiple award contract procedure, including
- 21 under any schedules developed under Subchapter I;
- 22 (3) open market purchase procedure; or
- 23 (4) reverse auction procedure.

24 SECTION 10. Section 2155.064, Government Code, is amended
25 to read as follows:

26 Sec. 2155.064. SCHEDULE AND BULK PURCHASING. The
27 comptroller [~~commission~~] may combine orders in a system of schedule

1 purchasing and shall attempt to benefit from bulk purchasing.

2 SECTION 11. Sections 2155.065(a) and (c), Government Code,
3 are amended to read as follows:

4 (a) The comptroller [~~commission~~] is authorized to make
5 contracts with the Texas Department of Criminal Justice for the
6 purchase of goods and services for use by another state agency.

7 (c) The comptroller [~~commission~~] shall make awards under
8 this section based on proposed goods and services meeting formal
9 state specifications developed by the comptroller [~~commission~~] or
10 meeting commercial specifications approved by the comptroller
11 [~~commission~~].

12 SECTION 12. Section 2155.066, Government Code, is amended
13 to read as follows:

14 Sec. 2155.066. REVIEW OF SPECIFICATIONS. The comptroller
15 [~~commission~~] shall review the specifications and purchase
16 conditions of goods or services considered for purchase.

17 SECTION 13. Sections 2155.067(a), (c), (d), and (f),
18 Government Code, are amended to read as follows:

19 (a) If, after review under Section 2155.066, the
20 comptroller [~~commission~~] finds that specifications and conditions
21 of a purchase request describe a product that is proprietary to one
22 vendor and do not permit an equivalent product to be supplied, the
23 comptroller [~~commission~~] shall require the requesting state agency
24 to justify in writing the specifications or conditions.

25 (c) The written justification must:

- 26 (1) explain the need for the specifications;
27 (2) state the reason competing products are not

1 satisfactory; and

2 (3) provide other information requested by the
3 comptroller [~~commission~~].

4 (d) If the comptroller [~~commission~~] requires a resubmission
5 with written justification, the comptroller [~~commission~~] shall
6 notify the requesting state agency of the requirement not later
7 than the 10th day after the date of receiving the purchase request.

8 (f) The comptroller [~~commission~~] shall issue an invitation
9 to bid to vendors not later than the 20th day after the date of
10 receiving the required written justification.

11 SECTION 14. Sections 2155.068, 2155.069, 2155.070,
12 2155.072, 2155.073, 2155.074, and 2155.075, Government Code, are
13 amended to read as follows:

14 Sec. 2155.068. UNIFORM STANDARDS AND SPECIFICATIONS. (a)
15 The comptroller [~~commission~~] may coordinate uniform standards and
16 specifications for goods purchased by the comptroller
17 [~~commission~~]. The comptroller [~~commission~~] by rule may adopt
18 appropriate standards developed by a nationally recognized
19 standards-making association as part of its specifications and
20 standards program.

21 (b) The comptroller [~~commission~~] shall enlist the
22 cooperation of other state agencies in the establishment,
23 maintenance, and revision of uniform standards and specifications.

24 (c) The comptroller [~~commission~~] shall review contracts
25 administered by the comptroller [~~commission~~] to ensure that all
26 goods and services meet contract specifications.

27 (d) As part of the standards and specifications program, the

1 comptroller [~~commission~~] shall:

2 (1) review contracts for opportunities to recycle
3 waste produced at state buildings;

4 (2) develop and update a list of equipment and
5 appliances that meet the energy efficiency standards provided by
6 Section 2158.301; and

7 (3) assist state agencies in selecting products under
8 Section 2158.301, as appropriate.

9 Sec. 2155.069. TESTING AND INSPECTION. (a) The
10 comptroller [~~commission~~] may test and inspect goods and services
11 purchased under a contract administered by the comptroller
12 [~~commission~~] to ensure compliance with specifications.

13 (b) The comptroller [~~commission~~] may contract for testing
14 under this section.

15 (c) The comptroller [~~commission~~] may, on request, test and
16 inspect goods and services purchased by other state governmental
17 entities on a cost recovery basis.

18 (d) The comptroller [~~commission~~] may also test and inspect
19 goods and services before they are purchased. Other state agencies
20 may test and inspect goods and services before purchase under
21 standard industry testing methods, or they may contract for
22 testing. The comptroller [~~commission~~] may inform agencies about
23 available private testing facilities.

24 Sec. 2155.070. FAILURE TO MEET SPECIFICATIONS. (a) A state
25 agency that determines that goods or services received under a
26 contract administered by the comptroller [~~commission~~] do not meet
27 specifications shall promptly notify the comptroller [~~commission~~]

1 in writing of the reasons for the determination. The comptroller
2 [~~commission~~] shall immediately make its own determination of
3 whether the goods and services meet specifications.

4 (b) The comptroller [~~commission~~] or a state agency,
5 including an institution of higher education, has the authority to
6 determine that goods and services exempted from the comptroller's
7 [~~commission's~~] purchasing authority meet or fail to meet
8 specifications.

9 (c) On determining that contract specifications or
10 conditions have not been met, the comptroller [~~commission~~] shall
11 act against the defaulting contractor, with the assistance of the
12 attorney general as necessary.

13 (d) If the comptroller [~~commission~~] receives repeated
14 complaints against a vendor, the comptroller [~~commission~~] shall
15 remove the vendor's name and the vendor's goods and services from
16 the comptroller's [~~commission's~~] bidders list for not longer than
17 one year. If complaints resume after the vendor is reinstated on
18 the bidders list, the comptroller [~~commission~~] may bar the vendor
19 from participating in state contracts for a period under Section
20 [2155.077](#).

21 Sec. 2155.072. STATEWIDE OR REGIONAL SERVICES CONTRACTS;
22 [~~COMMISSION~~] STUDIES. (a) The comptroller [~~commission~~] annually
23 shall select for study at least one service that is purchased by one
24 or more state agencies. The comptroller [~~commission~~] shall study a
25 selected service to determine whether the state would benefit if
26 the service were provided to appropriate state agencies under a
27 regional or statewide contract. The comptroller [~~commission~~] shall

1 give priority to studying services for which the comptroller
2 [~~commission~~] has delegated the purchasing function to many state
3 agencies.

4 (b) The comptroller [~~commission~~] is not required to enter
5 into a statewide or regional contract for the provision of a service
6 to state agencies if more than five bidders are willing to provide
7 the service to the state under a statewide or regional contract.

8 Sec. 2155.073. PARTICIPATION BY SMALL BUSINESSES IN STATE
9 PURCHASING. The comptroller [~~commission~~] shall foster
10 participation of small businesses in the purchasing activities of
11 the state by:

12 (1) assisting state agencies in developing procedures
13 to ensure the inclusion of small businesses on state agency master
14 bid lists;

15 (2) informing small businesses of state purchasing
16 opportunities;

17 (3) assisting small businesses in complying with the
18 procedures for bidding on state contracts;

19 (4) working with state and federal agencies and with
20 private organizations in disseminating information on state
21 purchasing procedures and the opportunities for small businesses to
22 participate in state contracts;

23 (5) assisting state agencies with the development of a
24 comprehensive list of small businesses capable of providing goods
25 or services to the state;

26 (6) making recommendations to state agencies to
27 simplify contract specifications and terms to increase the

1 opportunities for small business participation;

2 (7) working with state agencies to establish a
3 statewide policy for increasing the use of small businesses;

4 (8) assisting state agencies in seeking small
5 businesses capable of supplying goods and services that the
6 agencies require;

7 (9) assisting state agencies in identifying and
8 advising small businesses on the types of goods and services needed
9 by the agencies; and

10 (10) assisting state agencies in increasing the volume
11 of business placed with small businesses.

12 Sec. 2155.074. BEST VALUE STANDARD FOR PURCHASE OF GOODS OR
13 SERVICES. (a) For a purchase of goods and services under this
14 chapter, each state agency, including the comptroller
15 [~~commission~~], shall purchase goods and services that provide the
16 best value for the state.

17 (b) In determining the best value for the state, the
18 purchase price and whether the goods or services meet
19 specifications are the most important considerations. However, the
20 comptroller [~~commission~~] or other state agency may, subject to
21 Subsection (c) and Section 2155.075, consider other relevant
22 factors, including:

23 (1) installation costs;

24 (2) life cycle costs;

25 (3) the quality and reliability of the goods and
26 services;

27 (4) the delivery terms;

1 (5) indicators of probable vendor performance under
2 the contract such as past vendor performance, the vendor's
3 financial resources and ability to perform, the vendor's experience
4 or demonstrated capability and responsibility, and the vendor's
5 ability to provide reliable maintenance agreements and support;

6 (6) the cost of any employee training associated with
7 a purchase;

8 (7) the effect of a purchase on agency productivity;

9 (8) the vendor's anticipated economic impact to the
10 state or a subdivision of the state, including potential tax
11 revenue and employment; and

12 (9) other factors relevant to determining the best
13 value for the state in the context of a particular purchase.

14 (c) A state agency shall consult with and receive approval
15 from the comptroller [~~commission~~] before considering factors other
16 than price and meeting specifications when the agency procures
17 through competitive bidding goods or services with a value that
18 exceeds \$100,000.

19 Sec. 2155.075. REQUIREMENT TO SPECIFY VALUE FACTORS IN
20 REQUEST FOR BIDS OR PROPOSALS. (a) For a purchase made through
21 competitive bidding, the comptroller [~~commission~~] or other state
22 agency making the purchase must specify in the request for bids the
23 factors other than price that the comptroller [~~commission~~] or
24 agency will consider in determining which bid offers the best value
25 for the state.

26 (b) For a purchase made through competitive sealed
27 proposals, the comptroller [~~commission~~] or other state agency

1 making the purchase:

2 (1) must specify in the request for proposals the
3 known factors other than price that the comptroller [~~commission~~] or
4 agency will consider in determining which proposal offers the best
5 value for the state; and

6 (2) may concurrently inform each vendor that made a
7 proposal on the contract of any additional factors the comptroller
8 [~~commission~~] or agency will consider in determining which proposal
9 offers the best value for the state if the comptroller [~~commission~~]
10 or other agency determines after opening the proposals that
11 additional factors not covered under Subdivision (1) are relevant
12 in determining which proposal offers the best value for the state.

13 SECTION 15. Section [2155.076](#)(a), Government Code, is
14 amended to read as follows:

15 (a) The comptroller [~~commission~~] and each state agency by
16 rule shall develop and adopt protest procedures for resolving
17 vendor protests relating to purchasing issues. An agency's rules
18 must be consistent with the comptroller's [~~commission's~~] rules.
19 The rules must include standards for maintaining documentation
20 about the purchasing process to be used in the event of a protest.

21 SECTION 16. Sections [2155.077](#)(a), (a-1), (b), (c), and (d),
22 Government Code, are amended to read as follows:

23 (a) The comptroller [~~commission~~] may bar a vendor from
24 participating in state contracts that are subject to this subtitle,
25 including contracts for which purchasing authority is delegated to
26 a state agency, for:

27 (1) substandard performance under a contract with the

1 state or a state agency;

2 (2) material misrepresentations in a bid or proposal
3 to the state or a state agency or during the course of performing a
4 contract with the state or a state agency;

5 (3) fraud;

6 (4) breaching a contract with the state or a state
7 agency; or

8 (5) repeated unfavorable performance reviews under
9 Section 2155.089 or repeated unfavorable classifications received
10 by the vendor under Section 2262.055 after considering the
11 following factors:

12 (A) the severity of the substandard performance
13 by the vendor;

14 (B) the impact to the state of the substandard
15 performance;

16 (C) any recommendations by a contracting state
17 agency that provides an unfavorable performance review;

18 (D) whether debarment of the vendor is in the
19 best interest of the state; and

20 (E) any other factor that the comptroller
21 considers relevant, as specified by comptroller rule.

22 (a-1) The comptroller [~~commission~~] shall bar a vendor from
23 participating in state contracts that are subject to this subtitle,
24 including contracts for which purchasing authority is delegated to
25 a state agency, if the vendor has been:

26 (1) convicted of violating a federal law in connection
27 with a contract awarded by the federal government for relief,

1 recovery, or reconstruction efforts as a result of Hurricane Rita,
2 as defined by Section 39.459, Utilities Code, Hurricane Katrina, or
3 any other disaster occurring after September 24, 2005; or

4 (2) assessed a penalty in a federal civil or
5 administrative enforcement action in connection with a contract
6 awarded by the federal government for relief, recovery, or
7 reconstruction efforts as a result of Hurricane Rita, as defined by
8 Section 39.459, Utilities Code, Hurricane Katrina, or any other
9 disaster occurring after September 24, 2005.

10 (b) Except as provided by Subsection (d), the comptroller
11 [~~commission~~] shall bar a vendor from participating in state
12 contracts under Subsection (a) or (a-2) for a period that is
13 commensurate with the seriousness of the vendor's action and the
14 damage to the state's interests.

15 (c) The comptroller [~~commission~~] by rule shall:

16 (1) state generally the reasons for which a vendor may
17 be barred from participating in state contracts and the periods for
18 which the vendor may be barred; and

19 (2) prescribe the procedures under which the
20 comptroller [~~commission~~] will determine whether and for how long a
21 vendor will be barred.

22 (d) The comptroller [~~commission~~] shall bar a vendor from
23 participating in state contracts under Subsection (a-1) for a
24 period of five years from the date the vendor was convicted or the
25 penalty was assessed.

26 SECTION 17. Section 2155.079, Government Code, is amended
27 to read as follows:

1 Sec. 2155.079. BUYING UNDER CONTRACT ESTABLISHED BY AGENCY
2 OTHER THAN COMPTROLLER [~~COMMISSION~~]. (a) The comptroller
3 [~~commission~~] shall adopt rules specifying the circumstances under
4 which it is advantageous for the state to allow a state agency to
5 purchase goods or services under a contract made by another state
6 agency other than the comptroller [~~commission~~], including as
7 provided under Subchapter I.

8 (b) If comptroller [~~commission~~] rules allow other agencies
9 to make purchases under a contract entered into by an agency using
10 delegated purchasing authority, the agency purchasing under
11 delegated authority may offer the goods or services available under
12 the contract to other agencies only if the agency first:

13 (1) establishes that the goods or services being
14 offered under its contract are not available under a contract
15 administered by the comptroller [~~commission~~]; and

16 (2) informs the comptroller [~~commission~~] of the terms
17 of the contract and the capabilities of the vendor.

18 SECTION 18. Sections 2155.080(a), (b), and (d), Government
19 Code, are amended to read as follows:

20 (a) The comptroller [~~commission~~] may establish an advisory
21 committee on procurement. The purpose of the committee is to
22 represent before the comptroller [~~commission~~] the state agency
23 purchasing community and the political subdivisions that use the
24 comptroller's [~~commission's~~] purchasing services.

25 (b) The committee is composed of officers or employees from
26 the comptroller [~~commission~~], from state agencies, including
27 institutions of higher education, and from political subdivisions

1 who are invited by the comptroller [~~commission~~] to serve on the
2 committee. The comptroller [~~commission~~] shall invite officers and
3 employees who are experienced in public purchasing, in public
4 finance, or who possess other appropriate expertise to serve on the
5 committee. Service on the committee is an additional duty of the
6 member's public office or employment. Chapter 2110 [~~Article~~
7 ~~6252-33, Revised Statutes,~~] does not apply to the size or
8 composition of the committee. The comptroller [~~commission~~] shall
9 set staggered terms for the members of the committee.

10 (d) The committee shall recommend improvements in
11 comptroller [~~commission~~] or state agency purchasing practices to
12 the comptroller [~~commission~~]. The committee shall review and
13 comment on findings and recommendations related to purchasing that
14 are made by state agency internal auditors or by the state auditor.

15 SECTION 19. Sections 2155.081(a) and (b), Government Code,
16 are amended to read as follows:

17 (a) The comptroller [~~commission~~] may establish a vendor
18 advisory committee. The purpose of the committee is to represent
19 before the comptroller [~~commission~~] the vendor community, to
20 provide information to vendors, and to obtain vendor input on state
21 procurement practices.

22 (b) The committee is composed of employees from the
23 comptroller [~~commission~~] and vendors who have done business with
24 the state who are invited by the comptroller [~~commission~~] to serve
25 on the committee. The comptroller [~~commission~~] shall invite a
26 cross-section of the vendor community to serve on the committee,
27 inviting both large and small businesses and vendors who provide a

1 variety of different goods and services to the state. Chapter 2110
2 [~~Article 6252-33, Revised Statutes,~~] does not apply to the size or
3 composition of the committee. The comptroller [~~commission~~] shall
4 set staggered terms for the members of the committee.

5 SECTION 20. Sections 2155.083(a), (c), (d), (f), and (k),
6 Government Code, are amended to read as follows:

7 (a) Except as provided by Subsection (n), this section
8 applies to each state agency making a procurement that will exceed
9 \$25,000 in value, without regard to the source of funds the agency
10 will use for the procurement, including a procurement that:

11 (1) is otherwise exempt from the comptroller's
12 [~~commission's~~] purchasing authority or the application of this
13 subtitle;

14 (2) is made under delegated purchasing authority;

15 (3) is related to a construction project; or

16 (4) is a procurement of professional or consulting
17 services.

18 (c) The comptroller [~~commission~~] each business day shall
19 produce and post a business daily in an electronic format. The
20 comptroller [~~commission~~] shall post in the business daily
21 information as prescribed by this section about each state agency
22 procurement that will exceed \$25,000 in value. The comptroller
23 [~~commission~~] shall also post in the business daily other
24 information relating to the business activity of the state that the
25 comptroller [~~commission~~] considers to be of interest to the public.

26 (d) The comptroller [~~commission~~] shall make the business
27 daily available on the Internet. Each state agency shall cooperate

1 with the comptroller [~~commission~~] in making the electronic business
2 daily available.

3 (f) The comptroller [~~commission~~] and other state agencies
4 may not charge a fee designed to recover the cost of preparing and
5 gathering the information that is published in the business daily.
6 These costs are considered part of a procuring agency's
7 responsibility to publicly inform potential bidders or offerors of
8 its procurement opportunities.

9 (k) Each state agency that will award a procurement contract
10 estimated to exceed \$25,000 in value shall send to the comptroller
11 [~~commission~~]:

12 (1) the information the comptroller [~~commission~~]
13 requires for posting in the state business daily under this
14 section; and

15 (2) a notice when the procurement contract has been
16 awarded or when the state agency has decided to not make the
17 procurement.

18 SECTION 21. Sections [2155.084](#)(a) and (c), Government Code,
19 are amended to read as follows:

20 (a) The comptroller [~~commission~~] or the governing body of an
21 institution of higher education may negotiate purchases of goods of
22 any kind needed by a state agency or the institution of higher
23 education with the appropriate agency of the federal government.
24 The governing body of an institution of higher education may act
25 under this section either directly or through the comptroller
26 [~~commission~~] or another state agency.

27 (c) In negotiating purchases of goods from the federal

1 government under this section or under Subchapter G, Chapter 2175,
2 the comptroller [~~commission~~] or the governing body of the
3 institution of higher education may waive the requirement of a
4 bidder's bond and performance bond that otherwise would be
5 required.

6 SECTION 22. Section 2155.085, Government Code, is amended
7 to read as follows:

8 Sec. 2155.085. REVERSE AUCTION PROCEDURE. (a) The
9 comptroller [~~commission~~] shall:

10 (1) purchase goods or services using the reverse
11 auction procedure whenever:

12 (A) the procedure provides the best value to the
13 state; or

14 (B) all purchasing methods provide equal value to
15 the state;

16 (2) offer historically underutilized businesses
17 assistance and training relating to the reverse auction procedure;
18 and

19 (3) advise historically underutilized businesses on
20 contracts available using the reverse auction procedure.

21 (b) The comptroller [~~commission~~] shall set a goal of
22 purchasing at least 20 percent of the dollar value of goods or
23 services purchased by the comptroller [~~commission~~] using the
24 reverse auction procedure.

25 SECTION 23. The heading to Subchapter C, Chapter 2155,
26 Government Code, is amended to read as follows:

1 SUBCHAPTER C. DELEGATIONS OF AND EXCLUSIONS FROM COMPTROLLER'S
2 [~~COMMISSION'S~~] PURCHASING AUTHORITY AND CERTAIN EXEMPTIONS FROM
3 COMPETITIVE BIDDING

4 SECTION 24. Section 2155.131, Government Code, is amended
5 to read as follows:

6 Sec. 2155.131. DELEGATION OF AUTHORITY TO STATE AGENCIES.
7 The comptroller [~~commission~~] may delegate purchasing functions to a
8 state agency.

9 SECTION 25. Sections 2155.132(a), (b), (c), (d), (f), and
10 (g), Government Code, are amended to read as follows:

11 (a) A state agency is delegated the authority to purchase
12 goods and services if the purchase does not exceed \$15,000. If the
13 comptroller [~~commission~~] determines that a state agency has not
14 followed the comptroller's [~~commission's~~] rules or the laws related
15 to the delegated purchases, the comptroller [~~commission~~] shall
16 report its determination to the members of the state agency's
17 governing body and to the governor, lieutenant governor, speaker of
18 the house of representatives, and Legislative Budget Board.

19 (b) The comptroller [~~commission~~] by rule may delegate to a
20 state agency the authority to purchase goods and services if the
21 purchase exceeds \$15,000. In delegating purchasing authority under
22 this subsection or Section 2155.131, the comptroller [~~commission~~]
23 shall consider factors relevant to a state agency's ability to
24 perform purchasing functions, including:

25 (1) the capabilities of the agency's purchasing staff
26 and the existence of automated purchasing tools at the agency;

27 (2) the certification levels held by the agency's

1 purchasing personnel;

2 (3) the results of the comptroller's [~~commission's~~]
3 procurement review audits of an agency's purchasing practices; and

4 (4) whether the agency has adopted and published
5 protest procedures consistent with those of the comptroller
6 [~~commission~~] as part of its purchasing rules.

7 (c) The comptroller [~~commission~~] shall monitor the
8 purchasing practices of state agencies that are making delegated
9 purchases under Subsection (b) or Section 2155.131 to ensure that
10 the certification levels of the agency's purchasing personnel and
11 the quality of the agency's purchasing practices continue to
12 warrant the amount of delegated authority provided by the
13 comptroller [~~commission~~] to the agency. The comptroller
14 [~~commission~~] may revoke for cause all or part of the purchasing
15 authority that the comptroller [~~commission~~] delegated to a state
16 agency. The comptroller [~~commission~~] shall adopt rules to
17 administer this subsection.

18 (d) The comptroller [~~commission~~] by rule:

19 (1) shall prescribe procedures for a delegated
20 purchase; and

21 (2) shall prescribe procedures by which agencies may
22 use the comptroller's [~~commission's~~] services for delegated
23 purchases, in accordance with Section 2155.082.

24 (f) Goods purchased under this section may not include:

25 (1) an item for which a contract has been awarded under
26 the contract purchase procedure, unless the quantity purchased is
27 less than the minimum quantity specified in the contract;

1 (2) an item required by statute to be purchased from a
2 particular source; or

3 (3) a scheduled item that has been designated for
4 purchase by the comptroller [~~commission~~].

5 (g) A large purchase may not be divided into small lot
6 purchases to meet the dollar limits prescribed by this section. The
7 comptroller [~~commission~~] may not require that unrelated purchases
8 be combined into one purchase order to exceed the dollar limits
9 prescribed by this section.

10 SECTION 26. Section 2155.136(b), Government Code, is
11 amended to read as follows:

12 (b) To make a purchase under this section, the medical or
13 dental unit must:

14 (1) follow the competitive sealed proposals
15 procedures under Subchapter C, Chapter 2157, and comptroller
16 [~~commission~~] rules on the use of competitive sealed proposals; and

17 (2) submit to the comptroller [~~commission~~] a written
18 finding that competitive sealed bidding or informal competitive
19 bidding is not practical or is disadvantageous to the state for the
20 proposed acquisition.

21 SECTION 27. Section 2155.137(a), Government Code, is
22 amended to read as follows:

23 (a) The comptroller [~~commission~~] shall provide for
24 emergency purchases by a state agency and may set a monetary limit
25 on the amount of an emergency purchase.

26 SECTION 28. Section 2155.138(c), Government Code, is
27 amended to read as follows:

1 (c) The comptroller [~~commission~~] shall make awards under
2 this section based on proposed goods and services meeting formal
3 state specifications developed by the comptroller [~~commission~~] or
4 meeting commercial specifications approved by the comptroller
5 [~~commission~~].

6 SECTION 29. Sections [2155.140](#) and [2155.141](#), Government
7 Code, are amended to read as follows:

8 Sec. 2155.140. PURCHASE FROM GIFT OR GRANT NOT WITHIN
9 COMPTROLLER'S [~~COMMISSION'S~~] PURCHASING AUTHORITY. The
10 comptroller's [~~commission's~~] authority does not apply to a purchase
11 of goods or services from a gift or grant, including an industrial
12 or federal grant or contract in support of research.

13 Sec. 2155.141. PURCHASES FOR AUXILIARY ENTERPRISE NOT
14 WITHIN COMPTROLLER'S [~~COMMISSION'S~~] PURCHASING AUTHORITY. The
15 comptroller's [~~commission's~~] authority does not extend to a
16 purchase of goods and services for an auxiliary enterprise.

17 SECTION 30. Section [2155.1441](#)(d), Government Code, is
18 amended to read as follows:

19 (d) A state agency shall provide appropriate information to
20 the comptroller [~~commission~~] concerning acquisitions made by the
21 agency under this section, but the comptroller's [~~commission's~~]
22 authority under this chapter and Chapters [2156](#), [2157](#), and [2158](#) does
23 not extend to the acquisition of goods and services made under this
24 section.

25 SECTION 31. Section [2155.145](#), Government Code, is amended
26 to read as follows:

27 Sec. 2155.145. CERTAIN PURCHASES BY TEXAS [~~NATURAL RESOURCE~~

1 ~~CONSERVATION]~~ COMMISSION ON ENVIRONMENTAL QUALITY. The Texas
2 [~~Natural Resource Conservation~~] Commission on Environmental
3 Quality is delegated all purchasing functions relating to the
4 administration of Subchapters F and I, Chapter 361, Health and
5 Safety Code, subject to the rules adopted by the comptroller
6 [~~commission~~] under Section 2155.132(c).

7 SECTION 32. Section 2155.146(c), Government Code, is
8 amended to read as follows:

9 (c) The comptroller [~~commission~~] shall procure goods or
10 services for the Employees Retirement System of Texas at the
11 request of the retirement system, and the retirement system may use
12 the services of the comptroller [~~commission~~] in procuring goods or
13 services.

14 SECTION 33. Section 2155.147(c), Government Code, is
15 amended to read as follows:

16 (c) The comptroller [~~commission~~] shall procure goods and
17 services for the General Land Office at the request of the land
18 office, and the land office may use the services of the comptroller
19 [~~commission~~] in procuring goods and services.

20 SECTION 34. Section 2155.148(c), Government Code, is
21 amended to read as follows:

22 (c) The comptroller [~~commission~~] shall procure goods or
23 services for the Texas Emergency Services Retirement System at the
24 request of the retirement system, and the retirement system may use
25 the services of the comptroller [~~commission~~] in procuring goods or
26 services.

27 SECTION 35. Section 2155.149(c), Government Code, is

1 amended to read as follows:

2 (c) At the request of the Veterans' Land Board, the
3 comptroller [~~commission~~] shall procure goods and services
4 described by Subsection (a) for the Veterans' Land Board. The
5 Veterans' Land Board may use the services of the comptroller
6 [~~commission~~] in procuring goods and services described by
7 Subsection (a).

8 SECTION 36. Section [2155.150](#)(c), Government Code, is
9 amended to read as follows:

10 (c) The comptroller [~~commission~~] shall procure goods and
11 services, under Subsection (a), for the Railroad Commission of
12 Texas at the request of the railroad commission, and the railroad
13 commission may use the services of the comptroller [~~commission~~] in
14 procuring goods and services.

15 SECTION 37. The heading to Subchapter D, Chapter [2155](#),
16 Government Code, is amended to read as follows:

17 SUBCHAPTER D. EXTENSION OF COMPTROLLER [~~COMMISSION~~] PURCHASING
18 SERVICES TO OTHER ENTITIES

19 SECTION 38. Sections [2155.203](#) and [2155.204](#), Government
20 Code, are amended to read as follows:

21 Sec. 2155.203. PURCHASES BY LEGISLATURE AND LEGISLATIVE
22 AGENCIES. A house of the legislature, or an agency, council, or
23 committee of the legislature, including the Legislative Budget
24 Board, the Texas Legislative Council, the state auditor's office,
25 and the Legislative Reference Library, may use the comptroller's
26 [~~commission's~~] purchasing services for purchasing goods and
27 services, including items covered by Section [21](#), Article XVI, Texas

1 Constitution.

2 Sec. 2155.204. LOCAL GOVERNMENT PURCHASING PROGRAM. The
3 comptroller's [~~commission's~~] provision of purchasing services for
4 local governments is governed by Subchapter D, Chapter 271, Local
5 Government Code.

6 SECTION 39. Sections 2155.261, 2155.262, 2155.263,
7 2155.265, 2155.267, 2155.269, and 2155.270, Government Code, are
8 amended to read as follows:

9 Sec. 2155.261. APPLICABILITY. This subchapter:

10 (1) applies to a purchase or other acquisition under
11 this chapter or Chapters 2156, 2157, and 2158 for which competitive
12 bidding or competitive sealed proposals are required;

13 (2) applies to a state agency that makes a purchase or
14 other acquisition under this chapter or Chapters 2156, 2157, and
15 2158, including the comptroller [~~commission~~] and an agency that
16 makes an acquisition under Section 2155.131 [~~or 2155.133~~]; and

17 (3) does not apply to a purchase or other acquisition
18 made by the comptroller [~~commission~~] under Subchapter A, Chapter
19 2156.

20 Sec. 2155.262. UNIFORM REGISTRATION FORM. (a) The
21 comptroller [~~commission~~] shall develop a uniform registration form
22 for applying to do business with the comptroller [~~commission~~] or
23 with another state agency.

24 (b) The comptroller [~~commission~~] and each state agency
25 shall make the form available to an applicant.

26 (c) The form must include an application for:

27 (1) certification as a historically underutilized

1 business;

2 (2) a payee identification number for use by the
3 comptroller; and

4 (3) placement on the comptroller's [~~commission's~~]
5 master bidders list.

6 (d) A state agency shall submit to the comptroller
7 [~~commission~~] each uniform registration form that it receives.

8 Sec. 2155.263. [~~COMMISSION TO MAINTAIN~~] CENTRALIZED MASTER
9 BIDDERS LIST. (a) The comptroller [~~commission~~] shall maintain a
10 centralized master bidders list and register on the list the name
11 and address of each vendor that applies for registration under
12 rules adopted under this subchapter. The comptroller [~~commission~~]
13 may include other relevant vendor information on the list.

14 (b) The comptroller [~~commission~~] shall maintain the
15 centralized master bidders list in a manner that facilitates a
16 state agency's solicitation of vendors that serve the agency's
17 geographic area.

18 (c) The centralized master bidders list shall be used for
19 all available procurement processes authorized by this subtitle and
20 shall also be used to the fullest extent possible by state agencies
21 that make purchases exempt from the comptroller's [~~commission's~~]
22 purchasing authority.

23 Sec. 2155.265. ACCESS TO MASTER BIDDERS LIST. (a) The
24 comptroller [~~commission~~] shall make the master bidders list
25 available to each state agency that makes a purchase or other
26 acquisition to which this subchapter applies.

27 (b) The comptroller [~~commission~~] shall make the list

1 available either electronically or in another form, depending on
2 each state agency's needs.

3 Sec. 2155.267. [~~COMMISSION~~] RULES AND PROCEDURES REGARDING
4 MASTER BIDDERS LIST. (a) The comptroller [~~commission~~] shall adopt
5 procedures for:

6 (1) making and maintaining the master bidders list;
7 and

8 (2) removing an inactive vendor from the list.

9 (b) The comptroller [~~commission~~] shall establish by rule a
10 vendor classification process under which only a vendor able to
11 make a bid or proposal on a particular purchase or other acquisition
12 may be solicited under this subchapter.

13 Sec. 2155.269. WAIVER. The comptroller [~~commission~~] by
14 rule may establish a process under which the requirement for
15 soliciting bids or proposals from eligible vendors on a bidders
16 list may be waived for an appropriate state agency or an appropriate
17 purchase or other acquisition under circumstances in which the
18 requirement is not warranted.

19 Sec. 2155.270. AGENCY ASSISTANCE WITH BIDDERS LIST ISSUES.
20 The comptroller [~~commission~~] may assist a state agency with issues
21 relating to a bidders list.

22 SECTION 40. Section [2155.321\(2\)](#), Government Code, is
23 amended to read as follows:

24 (2) "Purchase information" means information that the
25 comptroller [~~commission~~] determines is necessary to audit a
26 purchase under this subchapter.

27 SECTION 41. Section [2155.322\(c\)](#), Government Code, is

1 amended to read as follows:

2 (c) The comptroller [~~commission~~] by rule may require that
3 purchase information be sent directly to the comptroller
4 [~~commission~~] in circumstances under which the comptroller
5 [~~commission~~] considers it necessary.

6 SECTION 42. The heading to Section 2155.323, Government
7 Code, is amended to read as follows:

8 Sec. 2155.323. [~~COMPTROLLER~~] AUDIT OF FINANCIAL
9 INFORMATION [~~; TRANSMISSION OF PURCHASE INFORMATION TO COMMISSION~~].

10 SECTION 43. Section 2155.384, Government Code, is amended
11 to read as follows:

12 Sec. 2155.384. AUTHORITY TO PAY CHARGES. The comptroller
13 [~~commission~~], a state agency, or an entity authorized under Chapter
14 271, Local Government Code, or Section 2155.202 to purchase from a
15 contract entered into under the authority of the comptroller
16 [~~commission~~] may pay a restocking charge, cancellation fee, or
17 other similar charge if the comptroller [~~commission~~], state agency,
18 or other entity determines that the charge is justifiable.

19 SECTION 44. Section 2155.385(a), Government Code, is
20 amended to read as follows:

21 (a) If authorized by rule adopted by the comptroller under
22 Section 403.023, the comptroller [~~commission~~] may contract with one
23 or more credit card issuers for state agencies to use credit cards
24 to pay for purchases. The comptroller [~~commission~~] may not enter
25 into a contract that conflicts with the [~~comptroller's~~] rules
26 described by this subsection.

27 SECTION 45. Section 2155.441(c), Government Code, is

1 amended to read as follows:

2 (c) The comptroller [~~commission~~] is not required to
3 purchase products under this section that do not meet formal state
4 specifications developed by the comptroller [~~commission~~] or meet
5 commercial specifications approved by the comptroller
6 [~~commission~~].

7 SECTION 46. Section 2155.442, Government Code, is amended
8 to read as follows:

9 Sec. 2155.442. PREFERENCE FOR ENERGY EFFICIENT PRODUCTS.
10 The comptroller [~~commission~~] shall give preference to energy
11 efficient products in purchases made under this subtitle if:

12 (1) the products meet state specifications regarding
13 quantity and quality; and

14 (2) the cost of the product is equal to or less than
15 the cost of other similar products that are not energy efficient.

16 SECTION 47. Section 2155.443, Government Code, is amended
17 to read as follows:

18 Sec. 2155.443. PREFERENCE FOR RUBBERIZED ASPHALT PAVING.
19 The comptroller [~~commission~~] may give preference to rubberized
20 asphalt paving made from scrap tires by a facility in this state in
21 purchases of rubberized asphalt paving material if the cost as
22 determined by a life-cycle cost benefit analysis does not exceed by
23 more than 15 percent the bid cost of alternative paving materials.

24 SECTION 48. Sections 2155.444(a), (d), and (e), Government
25 Code, are amended to read as follows:

26 (a) The comptroller [~~commission~~] and all state agencies
27 making purchases of goods, including agricultural products, shall

1 give preference to those produced or grown in this state or offered
2 by Texas bidders as follows:

3 (1) goods produced or offered by a Texas bidder that is
4 owned by a service-disabled veteran who is a Texas resident shall be
5 given a first preference and goods produced in this state or offered
6 by other Texas bidders shall be given second preference, if the cost
7 to the state and quality are equal; and

8 (2) agricultural products grown in this state shall be
9 given first preference and agricultural products offered by Texas
10 bidders shall be given second preference, if the cost to the state
11 and quality are equal.

12 (d) The comptroller [~~commission~~] and all state agencies
13 making purchase of vegetation for landscaping purposes, including
14 plants, shall give preference to Texas vegetation native to the
15 region if the cost to the state is not greater and the quality is not
16 inferior.

17 (e) The comptroller [~~commission~~] and all state agencies
18 procuring services shall give first preference to services offered
19 by a Texas bidder that is owned by a service-disabled veteran who is
20 a Texas resident and shall give second preference to services
21 offered by other Texas bidders if:

22 (1) the services meet state requirements regarding the
23 service to be performed and expected quality; and

24 (2) the cost of the service does not exceed the cost of
25 other similar services of similar expected quality that are offered
26 by a bidder that is not entitled to a preference under this
27 subsection.

1 SECTION 49. Sections 2155.445(a), (b), and (c), Government
2 Code, are amended to read as follows:

3 (a) The comptroller [~~commission~~] and state agencies shall
4 give preference to recycled, remanufactured, or environmentally
5 sensitive products, as those terms are defined by rule of the
6 comptroller [~~commission~~], in purchases made under this subtitle if:

7 (1) the product meets state specifications regarding
8 quantity and quality; and

9 (2) the average price of the product is not more than
10 10 percent greater than the price of comparable nonrecycled
11 products.

12 (b) The comptroller [~~commission~~] regularly shall review and
13 revise its procurement procedures and specifications for the
14 purchase of goods to:

15 (1) eliminate procedures and specifications that
16 explicitly discriminate against recycled, remanufactured, or
17 environmentally sensitive products, as those terms are defined by
18 rule of the comptroller [~~commission~~]; and

19 (2) encourage the use of recycled, remanufactured, or
20 environmentally sensitive products.

21 (c) In developing new procedures and specifications, the
22 comptroller [~~commission~~] shall encourage the use of recycled
23 products and products that may be recycled or reused or that are
24 remanufactured or environmentally sensitive.

25 SECTION 50. Sections 2155.446(a) and (b), Government Code,
26 are amended to read as follows:

27 (a) Subject to Subsection (c), the comptroller [~~commission~~]

1 shall contract for paper containing the highest proportion of
2 recycled fibers for all purposes for which paper with recycled
3 fibers may be used and to the extent that the paper is available
4 through normal commercial sources to supply the state's needs.

5 (b) Subject to Subsection (c), a state agency that purchases
6 through the comptroller [~~commission~~] shall place orders for papers
7 containing recycled fibers to the highest extent of its needs and to
8 the extent that the paper is available through the comptroller's
9 [~~commission's~~] purchasing procedures.

10 SECTION 51. Section 2155.447, Government Code, is amended
11 to read as follows:

12 Sec. 2155.447. PURCHASE OF RECYCLED OIL. The comptroller
13 [~~commission~~], all state agencies, and all state agency employees
14 who purchase motor oil and other automotive lubricants for
15 state-owned vehicles shall give preference to motor oils and
16 lubricants that contain at least 25 percent recycled oil if the cost
17 to the state and the quality are comparable to those of new oil and
18 lubricants.

19 SECTION 52. Sections 2155.448(a) and (b), Government Code,
20 are amended to read as follows:

21 (a) Each state fiscal year, the comptroller [~~commission~~] by
22 rule may identify recycled, remanufactured, or environmentally
23 sensitive commodities or services, as those terms are defined by
24 rule of the comptroller [~~commission~~], and designate purchasing
25 goals for the procurement of those commodities and services by
26 state agencies for that fiscal year.

27 (b) A state agency that intends to purchase a commodity or

1 service that accomplishes the same purpose as a commodity or
2 service identified under Subsection (a) that does not meet the
3 definition of a recycled product or that is not remanufactured or
4 environmentally sensitive, as those terms are defined by rule of
5 the comptroller [~~commission~~], shall include with the procurement
6 file a written justification signed by the executive head of the
7 agency stating the reasons for the determination that the commodity
8 or service identified by the comptroller [~~commission~~] will not meet
9 the requirements of the agency.

10 SECTION 53. Section [2155.449](#)(b), Government Code, is
11 amended to read as follows:

12 (b) The comptroller [~~commission~~] and all state agencies
13 procuring goods or services shall give preference to goods or
14 services produced in an economically depressed or blighted area if:

15 (1) the goods or services meet state specifications
16 regarding quantity and quality; and

17 (2) the cost of the good or service does not exceed the
18 cost of other similar products or services that are not produced in
19 an economically depressed or blighted area.

20 SECTION 54. Section [2155.450](#), Government Code, is amended
21 to read as follows:

22 Sec. 2155.450. PREFERENCE FOR PRODUCTS OF FACILITIES ON
23 FORMERLY CONTAMINATED PROPERTY. The comptroller [~~commission~~] and
24 state agencies shall give preference to goods produced at a
25 facility located on property for which the owner has received a
26 certificate of completion under Section [361.609](#), Health and Safety
27 Code, if the goods meet state specifications regarding quantity,

1 quality, delivery, life cycle costs, and price.

2 SECTION 55. Section 2155.451(b), Government Code, is
3 amended to read as follows:

4 (b) The comptroller [~~commission~~] and state agencies
5 procuring goods or services may:

6 (1) give preference to goods or services of a vendor
7 that demonstrates that the vendor meets or exceeds any state or
8 federal environmental standards, including voluntary standards,
9 relating to air quality; or

10 (2) require that a vendor demonstrate that the vendor
11 meets or exceeds any state or federal environmental standards,
12 including voluntary standards, relating to air quality.

13 SECTION 56. Section 2155.452, Government Code, is amended
14 to read as follows:

15 Sec. 2155.452. PREFERENCE FOR CONTRACTORS PROVIDING FOODS
16 OF HIGHER NUTRITIONAL VALUE. (a) The comptroller [~~commission~~] and
17 state agencies making purchases of food for consumption in a public
18 cafeteria may give preference to contractors who provide foods of
19 higher nutritional value and who do not provide foods containing
20 trans fatty acids for consumption in the cafeteria.

21 (b) In complying with this section, the comptroller
22 [~~commission~~] and state agencies shall review the Department of
23 Agriculture's nutrition standards.

24 SECTION 57. Sections 2155.502(a), (b), and (c), Government
25 Code, are amended to read as follows:

26 (a) The comptroller [~~commission~~] shall develop a schedule
27 of multiple award contracts that have been previously awarded using

1 a competitive process by:

2 (1) the federal government, including the federal
3 General Services Administration; or

4 (2) any other governmental entity in any state.

5 (b) In developing a schedule under Subsection (a) or (e),
6 the comptroller [~~commission~~] or department, as appropriate, shall
7 modify any contractual terms, with the agreement of the parties to
8 the contract, as necessary to comply with any federal or state
9 requirements, including rules adopted under this subchapter.

10 (c) The comptroller [~~commission~~] may not list a multiple
11 award contract on a schedule developed under Subsection (a) if the
12 goods or services provided by that contract:

13 (1) are available from only one vendor;

14 (2) are telecommunications services, facilities, or
15 equipment;

16 (3) are commodity items as defined by Section
17 [2157.068](#)(a); or

18 (4) are engineering services as described by Section
19 [1001.003](#), Occupations Code, or architectural services as described
20 by Section [1051.001](#), Occupations Code.

21 SECTION 58. Sections [2155.505](#)(b) and (c), Government Code,
22 are amended to read as follows:

23 (b) The comptroller [~~commission~~] shall strongly encourage
24 each vendor with a contract listed on a schedule developed under
25 this subchapter and who is not a historically underutilized
26 business or small business to use historically underutilized or
27 small businesses to sell or provide a service under the contract.

1 If a vendor does not make a good faith effort to use historically
2 underutilized and small businesses under the contract, the
3 comptroller [~~commission~~] may exclude the vendor from being listed
4 on a schedule developed under this subchapter.

5 (c) A historically underutilized business or small business
6 may sell or provide a service under another vendor's contract
7 listed on a schedule developed under this subchapter if:

8 (1) the contract is on a schedule developed under
9 Section 2155.502;

10 (2) the vendor for the contract authorizes in writing
11 the historically underutilized business or small business to sell
12 or provide a service under that contract; and

13 (3) the historically underutilized business or small
14 business provides that written authorization to the comptroller
15 [~~commission~~].

16 SECTION 59. Sections 2155.506, 2155.508, and 2155.510,
17 Government Code, are amended to read as follows:

18 Sec. 2155.506. REPORTING REQUIREMENTS. (a) A vendor
19 listed on a contract for a schedule developed under this subchapter
20 shall report its sales to the comptroller [~~commission~~] in the
21 manner prescribed by the comptroller [~~commission~~].

22 (b) The comptroller [~~commission~~] shall compile the
23 information reported under Subsection (a) and include the
24 information in its report under Section 2101.011.

25 Sec. 2155.508. INTERNET AVAILABILITY. (a) The comptroller
26 [~~commission~~] shall develop a database of the multiple award
27 contracts developed under this subchapter and make that information

1 available on an Internet site. The database must have search
2 capabilities that allow a person to easily access the contracts.

3 (b) The comptroller [~~commission~~] shall allow vendors to
4 apply through the Internet site to be listed on a schedule developed
5 under this subchapter. The applicant shall provide an electronic
6 mail address to the comptroller [~~commission~~] as part of the
7 application process.

8 Sec. 2155.510. REBATES. (a) The comptroller [~~commission~~]
9 may collect a rebate from a vendor under a contract listed on a
10 schedule developed under this subchapter.

11 (b) If a purchase resulting in a rebate under this section
12 is made in whole or in part with federal funds, the comptroller
13 [~~commission~~] shall ensure that, to the extent the purchase was made
14 with federal funds, the appropriate portion of the rebate is
15 reported to the purchasing agency for reporting and reconciliation
16 purposes with the appropriate federal funding agency.

17 SECTION 60. Sections [2156.001](#), [2156.0011](#), and [2156.004](#),
18 Government Code, are amended to read as follows:

19 Sec. 2156.001. CONTRACT PURCHASE PROCEDURE AUTHORIZED. The
20 comptroller [~~commission~~] may use the contract purchase procedure to
21 purchase goods and services.

22 Sec. 2156.0011. COMPTROLLER POWERS AND [~~TRANSFER OF~~]
23 DUTIES [~~, REFERENCE~~]. [~~(a)~~] The comptroller has under this chapter
24 the powers and duties described by Section [2151.004](#)(d) [~~of the~~
25 ~~commission under this chapter are transferred to the comptroller~~].

26 [~~(b) In this chapter, a reference to the commission means~~
27 ~~the comptroller.~~]

1 Sec. 2156.004. BID DEPOSIT. (a) The comptroller
2 ~~[commission]~~, as considered necessary, may require a bid deposit in
3 an amount determined by the comptroller ~~[commission]~~. The amount
4 of the deposit, if any, must be stated in the public notice and the
5 invitation to bid.

6 (b) On the award of a bid or the rejection of all bids, the
7 comptroller ~~[commission]~~ shall refund the bid deposit of an
8 unsuccessful bidder.

9 (c) The comptroller ~~[commission]~~ may accept from a bidder a
10 bid deposit in the form of a blanket bond.

11 SECTION 61. Section [2156.006](#)(b), Government Code, is
12 amended to read as follows:

13 (b) The comptroller ~~[commission]~~ may waive this requirement
14 if the failure to comply is beyond the bidder's control.

15 SECTION 62. Sections [2156.007](#)(a), (b), and (d), Government
16 Code, are amended to read as follows:

17 (a) The comptroller ~~[commission]~~ or other state agency
18 making a purchase shall award a contract to the bidder offering the
19 best value for the state while conforming to the specifications
20 required.

21 (b) In determining the bidder offering the best value, the
22 comptroller ~~[commission]~~ or other state agency may consider the
23 safety record of the bidder, the entity represented by the bidder,
24 and any person acting for the represented entity only if:

25 (1) the comptroller ~~[commission]~~ or other state agency
26 has adopted a written definition and criteria for accurately
27 determining the safety record of a bidder; and

1 (2) the comptroller [~~commission~~] or state agency
2 provided notice in the bid specifications to prospective bidders
3 that a bidder's safety record may be considered in determining the
4 bidder offering the best value for the state.

5 (d) In determining the bidder offering the best value, in
6 addition to price the comptroller [~~commission~~] or other state
7 agency shall consider:

8 (1) the quality and availability of the goods or
9 contractual services and their adaptability to the use required;

10 (2) the scope of conditions attached to the bid;

11 (3) the bidder's ability, capacity, and skill to
12 perform the contract or provide the service required;

13 (4) the bidder's ability to perform the contract or
14 provide the service promptly, or in the time required, without
15 delay or interference;

16 (5) the bidder's character, responsibility,
17 integrity, and experience or demonstrated capability;

18 (6) the quality of performance of previous contracts
19 or services;

20 (7) the bidder's previous and existing compliance with
21 laws relating to the contract or service;

22 (8) the bidder's previous or existing noncompliance
23 with specification requirements relating to the time of submission
24 of specified information, including samples, models, drawings, or
25 certificates;

26 (9) the sufficiency of the bidder's financial
27 resources and ability to perform the contract or provide the

1 service; and

2 (10) the bidder's ability to provide future
3 maintenance, repair parts, and service for the use of the
4 contract's subject.

5 SECTION 63. Sections 2156.008, 2156.009, and 2156.010,
6 Government Code, are amended to read as follows:

7 Sec. 2156.008. REJECTION OF BIDS. (a) The comptroller
8 [~~commission~~] or other state agency making the purchase shall reject
9 a bid in which there is a material failure to comply with
10 specification requirements.

11 (b) The comptroller [~~commission~~] or other state agency may
12 reject all bids or parts of bids if the rejection serves the state's
13 interest.

14 Sec. 2156.009. REASONS FOR AWARD. On award of a contract,
15 the division of the comptroller [~~commission~~] responsible for
16 purchasing or the state agency making the purchase shall prepare
17 and file with other records relating to the transaction a statement
18 of the reasons for making the award to the successful bidder and the
19 factors considered in determining which bidder offered the best
20 value for the state.

21 Sec. 2156.010. TIE BIDS. In the case of tie bids, the value
22 and cost to the state being equal, a contract shall be awarded under
23 comptroller [~~commission~~] rules.

24 SECTION 64. Sections 2156.011(a), (b), and (d), Government
25 Code, are amended to read as follows:

26 (a) The comptroller [~~commission~~] may require a performance
27 bond before executing a contract.

1 (b) The comptroller [~~commission~~] may require the bond in an
2 amount that the comptroller [~~commission~~] finds reasonable and
3 necessary to protect the state's interests.

4 (d) Any bond required shall be filed with the comptroller
5 [~~commission~~].

6 SECTION 65. Section 2156.061, Government Code, is amended
7 to read as follows:

8 Sec. 2156.061. USE OF OPEN MARKET PURCHASE PROCEDURE
9 [~~AUTHORIZED; USE OF PROCEDURE~~]. On a comptroller [~~commission~~]
10 determination that a purchase of goods or services may be made most
11 effectively in the open market, the comptroller [~~commission~~] may
12 use the open market purchase procedure and the purchase may be made
13 without newspaper advertising.

14 SECTION 66. Sections 2156.064(a) and (b), Government Code,
15 are amended to read as follows:

16 (a) The comptroller [~~commission~~] shall keep a record of all
17 open market orders and bids submitted on the orders.

18 (b) A tabulation of the bids shall be open for public
19 inspection, under rules established by the comptroller
20 [~~commission~~].

21 SECTION 67. Sections 2156.065, 2156.066, 2156.121,
22 2156.122, 2156.123, 2156.124, 2156.125, and 2156.126, Government
23 Code, are amended to read as follows:

24 Sec. 2156.065. AGENCY REVIEW OF BIDS. (a) On the request
25 of a state agency to review the bids on a purchase administered by
26 the comptroller [~~commission~~], the comptroller [~~commission~~] shall
27 send or make available to the requesting agency copies of each bid

1 received and the comptroller's [~~commission's~~] recommended award.

2 (b) If, after review of the bids and evaluation of the
3 quality of goods or services offered in the bids, the state agency
4 determines that the bid selected by the comptroller [~~commission~~]
5 does not offer the best value for the state, the agency may file
6 with the comptroller [~~commission~~] a written recommendation that the
7 award be made to the bidder who, according to the agency's
8 determination, offers the best value for the state. The agency
9 recommendation must include a justification of the agency's
10 determination.

11 (c) The comptroller [~~commission~~] shall consider, but is not
12 bound by, the agency recommendation in making the award.

13 Sec. 2156.066. STATEMENT OF REASONS FOR AWARD. The
14 division of the comptroller [~~commission~~] responsible for
15 purchasing or the state agency making a purchase shall prepare and
16 file with other records relating to a transaction under this
17 subchapter a statement of the reasons for placing an order with a
18 successful bidder for the transaction and the factors considered in
19 determining the bid offering the best value for the state.

20 Sec. 2156.121. USE OF COMPETITIVE SEALED PROPOSALS. (a)
21 The comptroller [~~commission~~] or other state agency may follow a
22 procedure using competitive sealed proposals to acquire goods or
23 services if the comptroller [~~commission~~] determines that
24 competitive sealed bidding and informal competitive bidding for the
25 purchase or type of purchase are not practical or are
26 disadvantageous to the state.

27 (b) A state agency shall send its proposal specifications

1 and criteria to the comptroller [~~commission~~] for approval or
2 request the comptroller [~~commission~~] to develop the proposal
3 specifications and criteria.

4 (c) The comptroller [~~commission~~] shall determine whether to
5 delegate sole oversight of the acquisition to a state agency or to
6 retain oversight of the procurement.

7 Sec. 2156.122. SOLICITATION OF PROPOSALS. The comptroller
8 [~~commission~~] or other state agency shall:

9 (1) solicit proposals under this subchapter by a
10 request for proposals; and

11 (2) give public notice of a request for proposals in
12 the manner provided for requests for bids under Subchapter B.

13 Sec. 2156.123. OPENING AND FILING OF PROPOSALS; PUBLIC
14 INSPECTION. (a) The comptroller [~~commission~~] or other state
15 agency shall avoid disclosing the contents of each proposal on
16 opening the proposal and during negotiations with competing
17 offerors.

18 (b) The comptroller [~~commission~~] or other state agency
19 shall file each proposal in a register of proposals, which, after a
20 contract is awarded, is open for public inspection unless the
21 register contains information that is excepted from required
22 disclosure under Subchapter C, Chapter 552.

23 Sec. 2156.124. DISCUSSION AND REVISION OF PROPOSALS. (a)
24 As provided in a request for proposals and under rules adopted by
25 the comptroller [~~commission~~], the comptroller [~~commission~~] or
26 other state agency may discuss acceptable or potentially acceptable
27 proposals with offerors to assess an offeror's ability to meet the

1 solicitation requirements. When the comptroller [~~commission~~] is
2 managing the request for proposals process, it shall invite a
3 requisitioning agency to participate in discussions conducted
4 under this section.

5 (b) After receiving a proposal but before making an award,
6 the comptroller [~~commission~~] or other state agency may permit the
7 offeror to revise the proposal to obtain the best final offer.

8 (c) The comptroller [~~commission~~] or other state agency may
9 not disclose information derived from proposals submitted from
10 competing offerors in conducting discussions under this section.

11 (d) The comptroller [~~commission~~] or other state agency
12 shall provide each offeror an equal opportunity to discuss and
13 revise proposals.

14 Sec. 2156.125. CONTRACT AWARD. (a) The comptroller
15 [~~commission~~] or other state agency shall make a written award of a
16 contract to the offeror whose proposal offers the best value for the
17 state, considering price, past vendor performance, vendor
18 experience or demonstrated capability, and the evaluation factors
19 in the request for proposals.

20 (b) The comptroller [~~commission~~] or other state agency
21 shall refuse all offers if none of the offers submitted is
22 acceptable.

23 (c) The comptroller [~~commission~~] or other state agency
24 shall determine which proposal offers the best value for the state
25 in accordance with Sections [2155.074](#) and [2155.075](#).

26 (d) The comptroller [~~commission~~] or other state agency
27 shall state in writing in the contract file the reasons for making

1 an award.

2 Sec. 2156.126. ADOPTION OF RULES; STATE AGENCY ASSISTANCE.
3 The comptroller [~~commission~~] may adopt rules and request assistance
4 from other state agencies to perform its responsibilities under
5 this subchapter.

6 SECTION 68. Sections 2156.181(a) and (b), Government Code,
7 are amended to read as follows:

8 (a) The comptroller [~~commission~~] may enter into one or more
9 compacts, interagency agreements, or cooperative purchasing
10 agreements directly with one or more state governments, agencies of
11 other states, or other governmental entities or may participate in,
12 sponsor, or administer a cooperative purchasing agreement through
13 an entity that facilitates those agreements for the purchase of
14 goods or services if the comptroller [~~commission~~] determines that
15 the agreement would be in the best interest of the state.

16 (b) The comptroller [~~commission~~] may adopt rules to
17 implement this section.

18 SECTION 69. Section 2157.001(1), Government Code, is
19 amended to read as follows:

20 (1) "Automated information system" includes:

21 (A) the computers and computer devices on which
22 an information system is automated, including computers and
23 computer devices that the comptroller [~~commission~~] identifies in
24 guidelines developed by the comptroller [~~commission~~] in
25 consultation with the department and in accordance with Chapter
26 2054 and rules adopted under that chapter;

27 (B) a service related to the automation of an

1 information system, including computer software or computers;

2 (C) a telecommunications apparatus or device
3 that serves as a component of a voice, data, or video communications
4 network for transmitting, switching, routing, multiplexing,
5 modulating, amplifying, or receiving signals on the network, and
6 services related to telecommunications that are not covered under
7 Paragraph (D); and

8 (D) for the department, as telecommunications
9 provider for the state, the term includes any service provided by a
10 telecommunications provider, as that term is defined by Section
11 [51.002](#), Utilities Code.

12 SECTION 70. Sections [2157.0011](#) and [2157.003](#), Government
13 Code, are amended to read as follows:

14 Sec. 2157.0011. COMPTROLLER POWERS AND [~~TRANSFER OF~~
15 ~~DUTIES~~ [, REFERENCE]. [~~(a)~~] The comptroller has under this chapter
16 the powers and duties described by Section [2151.004](#)(d) [~~of the~~
17 ~~commission under this chapter are transferred to the comptroller~~].

18 [~~(b) In this chapter, a reference to the commission means~~
19 ~~the comptroller.~~]

20 Sec. 2157.003. DETERMINING BEST VALUE FOR PURCHASES OF
21 AUTOMATED INFORMATION SYSTEMS. "Best value" for purposes of this
22 chapter means the lowest overall cost of an automated information
23 system. In determining the lowest overall cost for a purchase or
24 lease of an automated information system under this chapter, the
25 comptroller [~~commission~~] or a state agency shall consider factors
26 including:

27 (1) the purchase price;

1 (2) the compatibility to facilitate the exchange of
2 existing data;

3 (3) the capacity for expanding and upgrading to more
4 advanced levels of technology;

5 (4) quantitative reliability factors;

6 (5) the level of training required to bring persons
7 using the system to a stated level of proficiency;

8 (6) the technical support requirements for the
9 maintenance of data across a network platform and the management of
10 the network's hardware and software;

11 (7) the compliance with applicable department
12 statewide standards validated by criteria adopted by the department
13 by rule; and

14 (8) applicable factors listed in Sections [2155.074](#) and
15 [2155.075](#).

16 SECTION 71. Sections [2157.006](#)(a) and (c), Government Code,
17 are amended to read as follows:

18 (a) The comptroller [~~commission~~] or other state agency
19 shall purchase an automated information system using:

20 (1) the purchasing method described by Section
21 [2157.068](#) for commodity items; or

22 (2) a purchasing method designated by the comptroller
23 [~~commission~~] to obtain the best value for the state, including a
24 request for offers method.

25 (c) The comptroller [~~commission~~] shall adopt rules for
26 designating purchasing methods under Subsection (a)(2).

27 SECTION 72. Section [2157.068](#)(i), Government Code, is

1 amended to read as follows:

2 (i) Unless the agency has express statutory authority to
3 employ a best value purchasing method other than a purchasing
4 method designated by the comptroller [~~commission~~] under Section
5 2157.006(a)(2), a state agency shall use a purchasing method
6 provided by Section 2157.006(a) when purchasing a commodity item
7 if:

8 (1) the agency has obtained an exemption from the
9 department or approval from the Legislative Budget Board under
10 Subsection (f); or

11 (2) the agency is otherwise exempt from this section.

12 SECTION 73. Sections 2157.121, 2157.122, 2157.123,
13 2157.124, 2157.125, and 2157.126, Government Code, are amended to
14 read as follows:

15 Sec. 2157.121. ACQUISITION THROUGH COMPETITIVE SEALED
16 PROPOSALS. (a) The comptroller [~~commission~~] or other state agency
17 may acquire a telecommunications device, system, or service or an
18 automated information system by using competitive sealed proposals
19 if the comptroller [~~commission~~] determines that competitive sealed
20 bidding and informal competitive bidding are not practical or are
21 disadvantageous to the state.

22 (b) A state agency, other than the department, shall send
23 its proposal specifications and criteria to the comptroller
24 [~~commission~~] for approval or request the comptroller [~~commission~~]
25 to develop the proposal specifications and criteria.

26 (c) The department may acquire a telecommunications device,
27 system, or service or an automated information system by using

1 competitive sealed proposals without regard to whether the
2 comptroller [~~commission~~] makes the determination required under
3 Subsection (a) for other state agencies.

4 Sec. 2157.122. SOLICITATION OF PROPOSALS; PUBLIC NOTICE.
5 The comptroller [~~commission~~] or other state agency shall:

6 (1) solicit proposals under this subchapter by a
7 request for proposals; and

8 (2) give public notice of the request in the manner
9 provided for requests for bids under Subchapter B, Chapter 2156.

10 Sec. 2157.123. OPENING AND FILING PROPOSALS; PUBLIC
11 INSPECTION. (a) The comptroller [~~commission~~] or other state
12 agency shall avoid disclosing the contents of each proposal on
13 opening the proposal and during negotiations with competing
14 offerors.

15 (b) The comptroller [~~commission~~] or other state agency
16 shall file each proposal in a register of proposals, which, after a
17 contract is awarded, is open for public inspection unless the
18 register contains information that is excepted from required
19 disclosure under Subchapter C, Chapter 552.

20 Sec. 2157.124. DISCUSSION AND REVISION OF PROPOSAL. (a) As
21 provided by a request for proposals and under comptroller
22 [~~commission~~] rules, the comptroller [~~commission~~] or other state
23 agency may discuss an acceptable or potentially acceptable proposal
24 with an offeror to assess the offeror's ability to meet the
25 solicitation requirements. When the comptroller [~~commission~~] is
26 managing the request for proposals process, it shall invite a
27 requisitioning agency to participate in discussions conducted

1 under this section.

2 (b) After receiving a proposal but before making an award,
3 the comptroller [~~commission~~] or other state agency may permit an
4 offeror to revise a proposal to obtain the best final offer.

5 (c) The comptroller [~~commission~~] or other state agency may
6 not disclose information derived from a proposal submitted by a
7 competing offeror in conducting discussions under this section.

8 (d) The comptroller [~~commission~~] or other state agency
9 shall provide each offeror an equal opportunity to discuss and
10 revise proposals.

11 Sec. 2157.125. CONTRACT AWARD; FACTORS CONSIDERED. (a)
12 The comptroller [~~commission~~] or other state agency shall make a
13 written award of a purchase or lease to the offeror whose proposal
14 under this subchapter offers the best value for the state,
15 considering price, past vendor performance, vendor experience or
16 demonstrated capability, and the evaluation factors in the request
17 for proposals.

18 (b) The comptroller [~~commission~~] or other state agency
19 shall refuse all offers if no offer submitted is acceptable.

20 (c) In determining which proposal under this subchapter
21 offers the best value for the state, the comptroller [~~commission~~]
22 or other state agency shall, when applicable and subject to
23 Sections [2155.074](#) and [2155.075](#), consider factors including:

- 24 (1) the installation cost;
25 (2) the overall life of the system or equipment;
26 (3) the cost of acquisition, operation, and
27 maintenance of hardware included with, associated with, or required

1 for the system or equipment during the state's ownership or lease;

2 (4) the cost of acquisition, operation, and
3 maintenance of software included with, associated with, or required
4 for the system or equipment during the state's ownership or lease;

5 (5) the estimated cost of other supplies needed
6 because of the acquisition;

7 (6) the estimated cost of employee training needed
8 because of the acquisition;

9 (7) the estimated cost of necessary additional
10 permanent employees because of the acquisition; and

11 (8) the estimated increase in employee productivity
12 because of the acquisition.

13 (d) The comptroller [~~commission~~] or other state agency
14 shall state in writing in the contract file the reasons for making
15 an award.

16 Sec. 2157.126. RULES. The comptroller [~~commission~~] shall
17 adopt rules necessary or convenient to perform its responsibilities
18 regarding requests for proposals under this subchapter and shall
19 request assistance from other state agencies as needed.

20 SECTION 74. Sections [2157.181](#), [2157.182](#), and [2157.184](#),
21 Government Code, are amended to read as follows:

22 Sec. 2157.181. PREAPPROVED CONTRACT TERMS AND CONDITIONS.

23 (a) The comptroller [~~commission~~], with the concurrence of the
24 department, may negotiate with vendors preapproved terms and
25 conditions to be included in contracts relating to the purchase or
26 lease of a telecommunication device, system, or service or an
27 automated information system awarded to a vendor by a state agency.

1 (b) The comptroller [~~commission~~] and the department must
2 agree to the wording of preapproved terms and conditions negotiated
3 with a vendor.

4 Sec. 2157.182. VALIDITY OF PREAPPROVED TERMS AND
5 CONDITIONS; RENEGOTIATION. (a) Preapproved terms and conditions
6 to which a vendor, the comptroller [~~commission~~], and the department
7 agree are valid for two years after the date of the agreement and
8 must provide that the terms and conditions are to be renegotiated
9 before the end of the two years.

10 (b) The comptroller [~~commission~~] and the department jointly
11 shall establish procedures to ensure that terms and conditions are
12 renegotiated before they expire in a contract between the vendor
13 and a state agency.

14 Sec. 2157.184. NOTIFICATION OF STATE AGENCIES AND VENDORS.
15 The comptroller [~~commission~~] and the department jointly shall
16 establish procedures to notify state agencies and potential vendors
17 of the provisions of this subchapter regarding preapproved terms
18 and conditions.

19 SECTION 75. Section [2158.0011](#), Government Code, is amended
20 to read as follows:

21 Sec. 2158.0011. COMPTROLLER POWERS AND [~~TRANSFER OF~~]
22 DUTIES [~~, REFERENCE~~]. [~~(a)~~] The comptroller has under this chapter
23 the powers and duties described by Section [2151.004](#)(d) [~~of the~~
24 ~~commission under this chapter are transferred to the comptroller~~].

25 [~~(b) In this chapter, a reference to the commission means~~
26 ~~the comptroller.~~]

27 SECTION 76. Section [2158.004](#)(d), Government Code, is

1 amended to read as follows:

2 (d) The comptroller [~~commission~~] may waive the requirements
3 of this section for a state agency on receipt of certification
4 supported by evidence acceptable to the comptroller [~~commission~~]
5 that:

6 (1) the agency's vehicles will be operating primarily
7 in an area in which neither the agency nor a supplier has or can
8 reasonably be expected to establish adequate refueling for
9 compressed natural gas, liquefied natural gas, liquefied petroleum
10 gas, methanol or methanol/gasoline blends of 85 percent or greater,
11 ethanol or ethanol/gasoline blends of 85 percent or greater,
12 biodiesel or biodiesel/diesel blends of 20 percent or greater, or
13 electricity, including electricity to power a plug-in hybrid motor
14 vehicle; or

15 (2) the agency is unable to obtain equipment or
16 refueling facilities necessary to operate vehicles using
17 compressed natural gas, liquefied natural gas, liquefied petroleum
18 gas, methanol or methanol/gasoline blends of 85 percent or greater,
19 ethanol or ethanol/gasoline blends of 85 percent or greater,
20 biodiesel or biodiesel/diesel blends of 20 percent or greater, or
21 electricity, including electricity to power a plug-in hybrid motor
22 vehicle, at a projected cost that is reasonably expected to be no
23 greater than the net costs of continued use of conventional
24 gasoline or diesel fuels, measured over the expected useful life of
25 the equipment or facilities supplied.

26 SECTION 77. Sections [2158.006](#) and [2158.007](#), Government
27 Code, are amended to read as follows:

1 Sec. 2158.006. DETERMINATION OF ALTERNATIVE FUELS PROGRAM
2 PARAMETERS. In developing the use of compressed natural gas,
3 liquefied natural gas, liquefied petroleum gas, methanol or
4 methanol/gasoline blends of 85 percent or greater, ethanol or
5 ethanol/gasoline blends of 85 percent or greater, biodiesel or
6 biodiesel/diesel blends of 20 percent or greater, or electricity,
7 including electricity to power a plug-in hybrid motor vehicle, the
8 comptroller [~~commission~~] should work with state agency fleet
9 operators, vehicle manufacturers and converters, fuel
10 distributors, and others to determine the vehicles to be covered,
11 taking into consideration:

- 12 (1) range;
- 13 (2) specialty uses;
- 14 (3) fuel availability;
- 15 (4) vehicle manufacturing and conversion capability;
- 16 (5) safety;
- 17 (6) resale values; and
- 18 (7) other relevant factors.

19 Sec. 2158.007. COMPLIANCE WITH APPLICABLE SAFETY
20 STANDARDS. In purchasing, leasing, maintaining, or converting
21 vehicles for use with compressed natural gas, liquefied natural
22 gas, liquefied petroleum gas, methanol or methanol/gasoline blends
23 of 85 percent or greater, ethanol or ethanol/gasoline blends of 85
24 percent or greater, biodiesel or biodiesel/diesel blends of 20
25 percent or greater, or electricity, including electricity to power
26 a plug-in hybrid motor vehicle, the comptroller [~~commission~~] shall
27 comply with all applicable safety standards adopted by the United

1 States Department of Transportation and the Railroad Commission of
2 Texas.

3 SECTION 78. Section 2158.122(a), Government Code, is
4 amended to read as follows:

5 (a) On consent of the comptroller [~~commission~~] and the
6 governor, a person may print extra copies of matter printed under a
7 state contract and sell the copies at a price fixed by the
8 comptroller [~~commission~~] if in the opinion of the comptroller
9 [~~commission~~] and the governor the printed matter should be
10 distributed in this manner for the benefit of the public.

11 SECTION 79. Sections 2158.181 and 2158.241, Government
12 Code, are amended to read as follows:

13 Sec. 2158.181. SAFETY STANDARDS FOR ELECTRICAL ITEMS. The
14 comptroller [~~commission~~] or another state agency may not purchase
15 an electrical item unless the item meets applicable safety
16 standards of the federal Occupational Safety and Health
17 Administration.

18 Sec. 2158.241. INTERSTATE COMPACTS AND COOPERATIVE
19 AGREEMENTS FOR PROCURING RECYCLED PRODUCTS. The comptroller
20 [~~commission~~] may enter into compacts and cooperative agreements
21 with other states and government entities for procuring products
22 made of recycled materials when the comptroller [~~commission~~]
23 determines it is in the best interest of the state.

24 SECTION 80. Section 2158.301, Government Code, as added by
25 Chapter 262 (S.B. 12), Acts of the 80th Legislature, Regular
26 Session, 2007, is amended to read as follows:

27 Sec. 2158.301. ENERGY CONSERVATION. If available and cost

1 effective, the comptroller [~~commission~~] or another state agency
2 shall purchase equipment and appliances for state use that meet or
3 exceed the federal Energy Star standards designated by the United
4 States Environmental Protection Agency and the United States
5 Department of Energy.

6 SECTION 81. Sections [2161.0011](#), [2161.0015](#), [2161.002](#), and
7 [2161.003](#), Government Code, are amended to read as follows:

8 Sec. 2161.0011. COMPTROLLER POWERS AND [~~TRANSFER OF~~]
9 DUTIES[~~, REFERENCE~~]. [~~(a)~~] The comptroller has under this chapter
10 the powers and duties described by Section [2151.004](#)(d) [~~of the~~
11 ~~commission under this chapter are transferred to the comptroller~~].

12 [~~(b) In this chapter, a reference to the commission means~~
13 ~~the comptroller.~~]

14 Sec. 2161.0015. DETERMINING SIZE STANDARDS FOR
15 HISTORICALLY UNDERUTILIZED BUSINESSES. The comptroller
16 [~~commission~~] may establish size standards that a business may not
17 exceed if it is to be considered a historically underutilized
18 business under this chapter. In determining the size standards,
19 the comptroller [~~commission~~] shall determine the size at which a
20 business should be considered sufficiently large that the business
21 probably does not significantly suffer from the effects of past
22 discriminatory practices.

23 Sec. 2161.002. [~~COMMISSION~~] ADMINISTRATION; RULES
24 [~~COMPTROLLER ASSISTANCE~~]. (a) To administer Subchapters B and C,
25 the comptroller [~~commission~~] may:

- 26 (1) require information from a state agency; and
27 (2) adopt rules.

1 (c) In adopting rules to administer this chapter, the
2 comptroller [~~commission~~] shall adopt rules that are based on the
3 results of the "State of Texas Disparity Study, A Report to the
4 Texas Legislature as Mandated by H.B. 2626, 73rd Legislature,
5 December 1994" (prepared by National Economic Research Associates,
6 Inc.). The comptroller [~~commission~~] shall revise the rules in
7 response to the findings of any updates of the study that are
8 prepared on behalf of the state.

9 (d) The comptroller shall adopt rules to provide goals for
10 increasing the contract awards for the purchase of goods or
11 services by the comptroller [~~commission~~] and other state agencies
12 to businesses that qualify as historically underutilized
13 businesses because the businesses are owned or owned, operated, and
14 controlled, as applicable, wholly or partly by one or more veterans
15 as defined by 38 U.S.C. Section 101(2) who have a service-connected
16 disability as defined by 38 U.S.C. Section 101(16). The goals
17 established under this subsection are in addition to the goals
18 established under Subsection (c) and the goals established under
19 Subsection (c) may not be reduced as a result of the establishment
20 of goals under this subsection.

21 Sec. 2161.003. AGENCY RULES. A state agency, including an
22 institution of higher education, shall adopt the comptroller's
23 [~~commission's~~] rules under Section [2161.002](#) as the agency's or
24 institution's own rules. Those rules apply to the agency's
25 construction projects and purchases of goods and services paid for
26 with appropriated money without regard to whether a project or
27 purchase is otherwise subject to this subtitle.

1 SECTION 82. Section 2161.004(a), Government Code, is
2 amended to read as follows:

3 (a) This chapter and rules adopted by the comptroller
4 [~~commission~~] under this chapter apply to state agency construction
5 projects and purchases of goods and services that are paid for with
6 appropriated money and made under the authority of this subtitle or
7 other law.

8 SECTION 83. Section 2161.005, Government Code, is amended
9 to read as follows:

10 Sec. 2161.005. TRANSFER OF FUNDS FOR PURCHASING. If the
11 state auditor reports to the comptroller [~~commission~~] under Section
12 2161.123(d) that a state agency is not complying with Section
13 2161.123, the comptroller [~~commission~~] shall report that fact to
14 the Legislative Budget Board. If the Legislative Budget Board
15 determines that, one year after the date of the state auditor's
16 report to the comptroller [~~commission~~], the agency is still not
17 complying with Section 2161.123, the budget board may, under
18 Section 69, Article XVI, Texas Constitution, direct the emergency
19 transfer of the agency's appropriated funds for making purchases
20 under purchasing authority delegated under Section 2155.131 [~~or~~
21 ~~2155.133~~] to the appropriate state agency. The amount transferred
22 from the agency's funds to the appropriate agency shall be an amount
23 determined by the Legislative Budget Board.

24 SECTION 84. The heading to Subchapter B, Chapter 2161,
25 Government Code, is amended to read as follows:

26 SUBCHAPTER B. GENERAL POWERS AND DUTIES [~~OF COMMISSION~~]

27 SECTION 85. The heading to Section 2161.061, Government

1 Code, is amended to read as follows:

2 Sec. 2161.061. [~~COMMISSION~~] CERTIFICATION OF HISTORICALLY
3 UNDERUTILIZED BUSINESSES.

4 SECTION 86. Sections 2161.061(a), (b), (c), and (d),
5 Government Code, are amended to read as follows:

6 (a) The comptroller [~~commission~~] shall certify historically
7 underutilized businesses.

8 (b) As one of its certification procedures, the comptroller
9 [~~commission~~] may:

10 (1) approve the certification program of one or more
11 local governments or nonprofit organizations in this state that
12 certify historically underutilized businesses, minority business
13 enterprises, women's business enterprises, or disadvantaged
14 business enterprises under substantially the same definition, to
15 the extent applicable, used by Section 2161.001, if the local
16 government or nonprofit organization meets or exceeds the standards
17 established by the comptroller [~~commission~~]; and

18 (2) certify a business that is certified by a local
19 government or by a nonprofit organization as a historically
20 underutilized business under this chapter.

21 (c) To maximize the number of certified historically
22 underutilized businesses, the comptroller [~~commission~~] shall enter
23 into agreements with local governments in this state that conduct
24 certification programs described by Subsection (b) and with
25 nonprofit organizations. The comptroller [~~commission~~] may
26 terminate an agreement if a local government or nonprofit
27 organization fails to meet the standards established by the

1 comptroller [~~commission~~] for certifying historically underutilized
2 businesses. The agreements must take effect immediately and:

3 (1) allow for automatic certification of businesses
4 certified by the local government or nonprofit organization;

5 (2) provide for the efficient updating of the
6 comptroller [~~commission~~] database containing information about
7 historically underutilized businesses and potential historically
8 underutilized businesses; and

9 (3) provide for a method by which the comptroller
10 [~~commission~~] may efficiently communicate with businesses certified
11 by the local government or nonprofit organization and provide those
12 businesses with information about the state historically
13 underutilized business program.

14 (d) A local government or a nonprofit organization that
15 certifies historically underutilized businesses, minority business
16 enterprises, women's business enterprises, or disadvantaged
17 business enterprises as described in Subsections (b) and (c) shall
18 complete the certification of an applicant or provide an applicant
19 with written justification of its certification denial within the
20 period established by the comptroller [~~commission~~] in its rules for
21 certification activities.

22 SECTION 87. Sections [2161.062](#), [2161.063](#), and [2161.064](#),
23 Government Code, are amended to read as follows:

24 Sec. 2161.062. ASSISTANCE TO HISTORICALLY UNDERUTILIZED
25 BUSINESSES. (a) The comptroller [~~commission~~] shall seek the
26 advice of the governor, legislature, and state agencies in
27 identifying and developing opportunities for historically

1 underutilized businesses.

2 (b) The comptroller [~~commission~~] shall offer historically
3 underutilized businesses assistance and training regarding state
4 procurement procedures.

5 (c) The comptroller [~~commission~~] shall advise historically
6 underutilized businesses of available state contracts and shall
7 advise historically underutilized businesses to apply for
8 registration on the comptroller's [~~commission's~~] master bidders
9 list.

10 (d) The comptroller [~~commission~~] shall send historically
11 underutilized businesses an orientation package on certification
12 or recertification. The package shall include:

13 (1) a certificate issued in the historically
14 underutilized business's name;

15 (2) a description of the significance and value of
16 certification;

17 (3) a list of state purchasing personnel;

18 (4) information regarding electronic commerce
19 opportunities;

20 (5) information regarding the Texas Marketplace
21 website; and

22 (6) additional information about the state
23 procurement process.

24 (e) A state agency with a biennial budget that exceeds \$10
25 million shall designate a staff member to serve as the historically
26 underutilized businesses coordinator for the agency during the
27 fiscal year. The procurement director may serve as the

1 coordinator. In agencies that employ a historically underutilized
2 businesses coordinator, the position of coordinator, within the
3 agency's structure, must be at least equal to the position of
4 procurement director. In addition to any other responsibilities,
5 the coordinator shall:

6 (1) coordinate training programs for the recruitment
7 and retention of historically underutilized businesses;

8 (2) report required information to the comptroller
9 [~~commission~~]; and

10 (3) match historically underutilized businesses with
11 key staff within the agency.

12 Sec. 2161.063. ASSISTING STATE AGENCIES. (a) The
13 comptroller [~~commission~~] shall encourage state agencies to use
14 historically underutilized businesses by:

15 (1) working with state agencies to establish a
16 statewide policy for increasing the use of historically
17 underutilized businesses;

18 (2) assisting state agencies in seeking historically
19 underutilized businesses capable of supplying required goods or
20 services;

21 (3) assisting state agencies in identifying and
22 advising historically underutilized businesses on the types of
23 goods and services the agencies need; and

24 (4) assisting state agencies in increasing the amount
25 of business placed with historically underutilized businesses.

26 (b) The comptroller [~~commission~~] shall assist the Texas
27 Department of Economic Development in performing the department's

1 duties under Section 481.0068.

2 Sec. 2161.064. DIRECTORY. (a) The comptroller
3 [~~commission~~] shall compile, in the most cost-efficient form, a
4 directory of businesses certified as historically underutilized
5 businesses under Section 2161.061.

6 (b) The comptroller [~~commission~~] at least semiannually
7 shall update the directory and provide access to the directory
8 electronically or in another form to each state agency.

9 (c) Depending on the needs of a state agency, the
10 comptroller [~~commission~~] shall provide access to the directory
11 electronically or in another form.

12 (d) The comptroller [~~commission~~] shall provide a copy of the
13 directory to every municipality in January and July of each year.
14 On request, the comptroller [~~commission~~] shall make the directory
15 available to other local governments and the public.

16 (e) A state agency, including the comptroller [~~commission~~],
17 shall use the directory in determining awards of state purchasing
18 and public works contracts.

19 SECTION 88. Section 2161.065(a), Government Code, is
20 amended to read as follows:

21 (a) The comptroller [~~commission~~] shall design a
22 mentor-protege program to foster long-term relationships between
23 prime contractors and historically underutilized businesses and to
24 increase the ability of historically underutilized businesses to
25 contract with the state or to receive subcontracts under a state
26 contract. Each state agency with a biennial appropriation that
27 exceeds \$10 million shall implement the program designed by the

1 comptroller [~~commission~~].

2 SECTION 89. Sections 2161.066(a), (d), and (e), Government
3 Code, are amended to read as follows:

4 (a) The comptroller [~~commission~~] shall design a program of
5 forums in which historically underutilized businesses are invited
6 by state agencies to deliver technical and business presentations
7 that demonstrate their capability to do business with the agency:

8 (1) to senior managers and procurement personnel at
9 state agencies that acquire goods and services of a type supplied by
10 the historically underutilized businesses; and

11 (2) to contractors with the state who may be
12 subcontracting for goods and services of a type supplied by the
13 historically underutilized businesses.

14 (d) Each state agency that has a historically underutilized
15 businesses coordinator shall:

16 (1) design its own program and model the program to the
17 extent appropriate on the program developed by the comptroller
18 [~~commission~~] under this section; and

19 (2) sponsor presentations by historically
20 underutilized businesses at the agency.

21 (e) The comptroller [~~commission~~] and each state agency that
22 has a historically underutilized businesses coordinator shall
23 aggressively identify and notify individual historically
24 underutilized businesses regarding opportunities to make a
25 presentation regarding the types of goods and services supplied by
26 the historically underutilized business and shall advertise in
27 appropriate trade publications that target historically

1 underutilized businesses regarding opportunities to make a
2 presentation.

3 SECTION 90. Section 2161.121, Government Code, as amended
4 by Chapters 48 (H.B. 2472) and 1312 (S.B. 59), Acts of the 83rd
5 Legislature, Regular Session, 2013, is reenacted and amended to
6 read as follows:

7 Sec. 2161.121. [~~COMMISSION~~] REPORT OF CONTRACTS AWARDED TO
8 HISTORICALLY UNDERUTILIZED BUSINESSES. (a) The comptroller
9 [~~commission~~] shall prepare a consolidated report that:

10 (1) includes the number and dollar amount of contracts
11 awarded and paid to historically underutilized businesses
12 certified by the comptroller [~~commission~~];

13 (2) analyzes the relative level of opportunity for
14 historically underutilized businesses for various categories of
15 acquired goods and services; and

16 (3) tracks, by vendor identification number and, to
17 the extent allowed by federal law, by social security number, the
18 graduation rates for historically underutilized businesses that
19 grew to exceed the size standards determined by the comptroller
20 [~~commission~~].

21 (b) Each state agency shall send to the comptroller
22 [~~commission~~] information required by Section 2161.122 and other
23 information required by the comptroller [~~commission~~] for the
24 preparation of the comptroller's [~~commission's~~] report not later
25 than March 15 and September 15 of each year.

26 (c) The comptroller [~~commission~~] shall base its report on
27 the compilation and analysis of reports received under Subsection

1 (b) and other information maintained or received by [~~from~~] the
2 comptroller.

3 (d) The comptroller [~~commission~~] shall send to the
4 presiding officer of each house of the legislature:

5 (1) on May 15 of each year, a report on the previous
6 six-month period; and

7 (2) on November 15 of each year, a report on the
8 preceding fiscal year.

9 SECTION 91. Sections [2161.122](#)(c), (d), and (e), Government
10 Code, are amended to read as follows:

11 (c) Each state agency shall report to the comptroller
12 [~~commission~~] in accordance with Section [2161.125](#) the following
13 information with regard to the expenditure of both treasury and
14 nontreasury funds:

15 (1) the total dollar amount of purchases and payments
16 made under contracts awarded to historically underutilized
17 businesses;

18 (2) the number of businesses participating in any
19 issuance of state bonds by the agency;

20 (3) the number of contracts awarded to businesses with
21 regard to the agency's acquisition, construction, or equipping of a
22 facility or implementation of a program; and

23 (4) the number of bids, proposals, or other applicable
24 expressions of interest made by historically underutilized
25 businesses with regard to the agency's acquisition, construction,
26 or equipping of a facility or implementation of a program.

27 (d) A state agency participating in a group purchasing

1 program shall send to the comptroller [~~commission~~] in the agency's
2 report under Section 2161.121 a separate list of purchases from
3 historically underutilized businesses that are made through the
4 group purchasing program, including the dollar amount of each
5 purchase allocated to the reporting agency.

6 (e) A state agency's report is a record of the agency's
7 purchases for which the agency selected the vendor. If the vendor
8 was selected by the comptroller [~~commission~~] as part of its state
9 contract program, the comptroller [~~commission~~] shall include the
10 purchase in the comptroller's [~~commission's~~] report of its own
11 purchases unless the comptroller [~~commission~~] made a sole source
12 purchase for the agency under Section 2155.067. The state agency
13 for which the purchase was made shall report the selection of the
14 vendor on its report as if the agency selected the vendor when the
15 agency drew specifications for goods or services that are
16 proprietary to one vendor.

17 SECTION 92. Sections 2161.123(a), (c), (d), and (f),
18 Government Code, are amended to read as follows:

19 (a) Each state agency, including the comptroller
20 [~~commission~~], that is required to have a strategic plan under
21 Chapter 2056 shall include in its strategic plan a written plan for
22 increasing the agency's use of historically underutilized
23 businesses in purchasing and public works contracting. The
24 governing board of each university system or institution of higher
25 education not included in a university system, other than a public
26 junior college, shall prepare a written plan for increasing the use
27 of historically underutilized businesses in purchasing and public

1 works contracting by the system or institution.

2 (c) On request, the comptroller [~~commission~~] shall provide
3 technical assistance to a state agency that is preparing its plan.

4 (d) The comptroller [~~commission~~] and the state auditor
5 shall cooperate to develop procedures providing for random periodic
6 monitoring of state agency compliance with this section. The state
7 auditor shall report to the comptroller [~~commission~~] a state agency
8 that is not complying with this section. In determining whether a
9 state agency is making a good faith effort to comply, the state
10 auditor shall consider whether the agency:

11 (1) has adopted rules under Section [2161.003](#);

12 (2) has used the comptroller's [~~commission's~~]
13 directory under Section [2161.064](#) and other resources to identify
14 historically underutilized businesses that are able and available
15 to contract with the agency;

16 (3) made good faith, timely efforts to contact
17 identified historically underutilized businesses regarding
18 contracting opportunities;

19 (4) conducted its procurement program in accordance
20 with the good faith effort methodology set out in comptroller
21 [~~commission~~] rules; and

22 (5) established goals for contracting with
23 historically underutilized businesses in each procurement category
24 based on:

25 (A) scheduled fiscal year expenditures; and

26 (B) the availability of historically
27 underutilized businesses in each category as determined by rules

1 adopted under Section 2161.002.

2 (f) If the state auditor reports to the comptroller
3 [~~commission~~] that a state agency is not complying with this
4 section, the comptroller [~~commission~~] shall assist the agency in
5 complying.

6 SECTION 93. Sections 2161.124(a) and (b), Government Code,
7 are amended to read as follows:

8 (a) Each state agency, including the comptroller
9 [~~commission~~], shall prepare a report for each fiscal year
10 documenting progress under its plan for increasing use of
11 historically underutilized businesses.

12 (b) The comptroller [~~commission~~] shall develop a standard
13 form for the report.

14 SECTION 94. Section 2161.126, Government Code, is amended
15 to read as follows:

16 Sec. 2161.126. EDUCATION AND OUTREACH [~~BY COMMISSION~~].
17 Before October 15 of each year, the comptroller [~~commission~~] shall
18 report to the governor, the lieutenant governor, and the speaker of
19 the house of representatives on the education and training efforts
20 that the comptroller [~~commission~~] has made toward historically
21 underutilized businesses. The report must include the following as
22 related to historically underutilized businesses:

23 (1) the comptroller's [~~commission's~~] vision, mission,
24 and philosophy;

25 (2) marketing materials and other educational
26 materials distributed by the comptroller [~~commission~~];

27 (3) the comptroller's [~~commission's~~] policy regarding

1 education, outreach, and dissemination of information;

2 (4) goals that the comptroller [~~commission~~] has
3 attained during the fiscal year;

4 (5) the comptroller's [~~commission's~~] goals,
5 objectives, and expected outcome measures for each outreach and
6 education event; and

7 (6) the comptroller's [~~commission's~~] planned future
8 initiatives on education and outreach.

9 SECTION 95. Section [2161.127](#)(a), Government Code, is
10 amended to read as follows:

11 (a) Each state agency must include as part of its
12 legislative appropriations request a detailed report for
13 consideration by the budget committees of the legislature that
14 shows the extent to which the agency complied with this chapter and
15 rules of the comptroller [~~commission~~] adopted under this chapter
16 during the two calendar years preceding the calendar year in which
17 the request is submitted. To the extent the state agency did not
18 comply, the report must demonstrate the reasons for that fact. The
19 extent to which a state agency complies with this chapter and rules
20 of the comptroller [~~commission~~] adopted under this chapter is
21 considered a key performance measure for purposes of the
22 appropriations process.

23 SECTION 96. Section [2161.181](#), Government Code, is amended
24 to read as follows:

25 Sec. 2161.181. GOALS FOR PURCHASES OF GOODS AND SERVICES. A
26 state agency, including the comptroller [~~commission~~], shall make a
27 good faith effort to increase the contract awards for the purchase

1 of goods or services that the agency expects to make during a fiscal
2 year to historically underutilized businesses based on rules
3 adopted by the comptroller [~~commission~~] to implement the disparity
4 study described by Section 2161.002(c).

5 SECTION 97. Section 2161.182(a), Government Code, is
6 amended to read as follows:

7 (a) A state agency that contracts for a construction
8 project, including a project under Section 2166.003, shall make a
9 good faith effort to increase the construction contract awards that
10 the agency expects to make during a fiscal year to historically
11 underutilized businesses based on rules adopted by the comptroller
12 [~~commission~~] to implement the disparity study described by Section
13 2161.002(c).

14 SECTION 98. Section 2161.183(a), Government Code, is
15 amended to read as follows:

16 (a) Not later than the 60th day of its fiscal year, a state
17 agency, including the comptroller [~~commission~~]:

18 (1) shall estimate the total value of contract awards
19 the agency expects to make for that fiscal year that are subject to
20 Section 2161.181; and

21 (2) shall estimate the total value of contract awards
22 the agency expects to make for that fiscal year under Chapter 2166.

23 SECTION 99. Section 2161.253(e), Government Code, is
24 amended to read as follows:

25 (e) The comptroller [~~commission~~] shall adopt rules to
26 administer this subchapter.

27 SECTION 100. Sections 2163.001, 2163.0011, 2163.002,

1 2163.003, and 2163.004, Government Code, are amended to read as
2 follows:

3 Sec. 2163.001. REVIEW PROCESS. (a) The comptroller
4 ~~[commission]~~ shall develop a systematic review process to identify
5 commercially available services being performed by the comptroller
6 ~~[commission]~~ and study the services to determine if they may be
7 better provided by other state agency providers of the services or
8 private commercial sources.

9 (b) In reviewing its services, the comptroller ~~[commission]~~
10 shall:

11 (1) determine whether competitive vendors exist in the
12 private sector;

13 (2) compare the cost of contracting for the services
14 from other state agency providers of the services or private
15 commercial sources to the comptroller's ~~[commission's]~~ cost of
16 performing the services; and

17 (3) document cost savings from contracting for the
18 services from other state agency providers of the services or
19 private commercial sources.

20 (c) Each commercially available service performed by the
21 comptroller ~~[commission]~~ shall be reviewed at least once every six
22 years.

23 Sec. 2163.0011. COMPTROLLER POWERS AND ~~[TRANSFER OF]~~
24 DUTIES ~~[, REFERENCE]~~. ~~[(a)]~~ The comptroller has under this chapter
25 the powers and duties described by Section 2151.004(d) ~~[of the~~
26 ~~commission under this chapter are transferred to the comptroller]~~.

27 ~~[(b) In this chapter, a reference to the commission means~~

1 ~~the comptroller.]~~

2 Sec. 2163.002. COST COMPARISON AND CONTRACT
3 CONSIDERATIONS. (a) The comptroller [~~commission~~] shall consider
4 all of its direct and indirect costs in determining the cost of
5 providing a service.

6 (b) In comparing the cost of providing a service, the
7 comptroller [~~commission~~] must include the:

8 (1) cost of supervising the work of a private
9 contractor; and

10 (2) cost to the state of the comptroller's
11 [~~commission's~~] performance of the service, including:

12 (A) the costs of the office of the attorney
13 general and other support agencies; and

14 (B) other indirect costs related to the
15 comptroller's [~~commission's~~] performance of the service.

16 Sec. 2163.003. CONTRACTING WITH ANOTHER STATE AGENCY OR
17 PRIVATE SOURCE. (a) If the comptroller [~~commission~~] determines
18 that a service can be performed with a comparable or better level of
19 quality at a savings to the state of at least 10 percent by using
20 other state agency providers of the service or a private commercial
21 source, the comptroller [~~commission~~] may contract with other state
22 agency providers of the services or private commercial sources for
23 the service.

24 (b) The comptroller [~~commission~~] maintains responsibility
25 for providing a contracted service and shall set measurable
26 performance standards for a contractor.

27 Sec. 2163.004. PROHIBITION. The comptroller [~~commission~~]

1 may not begin providing a service the General Services Commission
2 did not provide as of September 1, 2001, unless, after conducting an
3 in-depth analysis on cost in accordance with Section 2163.002 and
4 on availability of a service, the comptroller [~~commission~~]
5 determines that it can perform the service at a higher level of
6 quality or at a lower cost than other state agency providers of the
7 service or private commercial sources.

8 SECTION 101. Sections 2171.001 and 2171.0011, Government
9 Code, are amended to read as follows:

10 Sec. 2171.001. TRAVEL DIVISION. The travel division of the
11 comptroller [~~commission~~] is composed of the central travel office
12 and the office of vehicle fleet management.

13 Sec. 2171.0011. COMPTROLLER POWERS AND [~~TRANSFER OF~~]
14 DUTIES [~~, REFERENCE~~]. [~~(a)~~] The comptroller has under this chapter
15 the powers and duties described by Section 2151.004(d) [~~of the~~
16 ~~commission under this chapter are transferred to the comptroller~~].

17 [~~(b) In this chapter, a reference to the commission means~~
18 ~~the comptroller.~~]

19 SECTION 102. Section 2171.051(c), Government Code, is
20 amended to read as follows:

21 (c) After approval by the comptroller [~~executive director~~],
22 the central travel office shall designate state agencies that may
23 use the services of the office. The comptroller [~~executive~~
24 ~~director~~] shall approve the use of those services by the designated
25 state agencies after the director of the travel division certifies
26 to the comptroller [~~executive director~~] that the central travel
27 office is capable of providing those services.

1 SECTION 103. Sections 2171.052(c) and (d), Government Code,
2 are amended to read as follows:

3 (c) The comptroller [~~commission~~] may make contracts with
4 travel agents that meet certain reasonable requirements prescribed
5 by the central travel office, with preference given to resident
6 entities of this state.

7 (d) To the greatest extent possible, the comptroller
8 [~~commission~~] shall use electronic means to solicit and receive bids
9 under this section.

10 SECTION 104. Sections 2171.055(a), (b), (c), (d), (e), (f),
11 (g), (h), and (j), Government Code, are amended to read as follows:

12 (a) State agencies in the executive branch of state
13 government shall participate under comptroller [~~commission~~] rules
14 in the comptroller's [~~commission's~~] contracts for travel services,
15 provided that all travel agents approved by the comptroller
16 [~~commission~~] are permitted to contract with the state and provide
17 travel services to all state agencies.

18 (b) An institution of higher education as defined by Section
19 61.003, Education Code, is not required to participate in the
20 comptroller's [~~commission's~~] contracts for travel agency services
21 or other travel services purchased from funds other than general
22 revenue funds or educational and general funds as defined by
23 Section 51.009, Education Code. The Employees Retirement System of
24 Texas is not required to participate in the comptroller's
25 [~~commission's~~] contracts for travel agency services or other travel
26 services purchased from funds other than general revenue funds.

27 (c) The comptroller [~~commission~~] may provide by rule for

1 exemptions from required participation.

2 (d) Agencies of the state that are not required to
3 participate in comptroller [~~commission~~] contracts for travel
4 services may participate as provided by Section 2171.051.

5 (e) A county officer or employee who is engaged in official
6 county business may participate in the comptroller's [~~commission's~~]
7 contract for travel services for the purpose of obtaining reduced
8 airline fares and reduced travel agent fees. A county sheriff or
9 deputy sheriff or juvenile probation officer who is transporting a
10 state prisoner under a felony warrant may participate in the
11 comptroller's [~~commission's~~] contract for travel services for
12 purposes of obtaining reduced airline fares and reduced travel
13 agent fees for the law enforcement or probation officer and the
14 prisoner. The comptroller [~~commission~~] may charge a participating
15 county a fee not to exceed the costs incurred by the comptroller
16 [~~commission~~] in providing services under this subsection. The
17 comptroller [~~commission~~] shall periodically review fees and shall
18 adjust them as needed to ensure recovery of costs incurred in
19 providing services to counties under this subsection. The
20 comptroller [~~commission~~] shall deposit the fees collected under
21 this subsection to the credit of the county airline fares account.
22 The county airline fares account is an account in the general
23 revenue fund that may be appropriated only for the purposes of this
24 chapter. The comptroller [~~commission~~] shall adopt rules and make
25 or amend contracts as necessary to administer this subsection.

26 (f) An officer or employee of a public junior college, as
27 defined by Section 61.003, Education Code, of an open-enrollment

1 charter school established under Subchapter D, Chapter 12,
2 Education Code, or of a school district who is engaged in official
3 business may participate in the comptroller's [~~commission's~~]
4 contract for travel services. The comptroller [~~commission~~] may
5 charge a participating public junior college, open-enrollment
6 charter school, or school district a fee not to exceed the costs
7 incurred by the comptroller [~~commission~~] in providing services
8 under this subsection. The comptroller [~~commission~~] shall
9 periodically review fees and shall adjust them as needed to ensure
10 recovery of costs incurred in providing services to public junior
11 colleges, open-enrollment charter schools, and school districts
12 under this subsection. The comptroller [~~commission~~] shall deposit
13 the fees collected under this subsection to the credit of the public
14 education travel account. The public education travel account is
15 an account in the general revenue fund that may be appropriated only
16 for the purposes of this chapter. The comptroller [~~commission~~]
17 shall adopt rules and make or amend contracts as necessary to
18 administer this subsection.

19 (g) A municipal officer or employee who is engaged in
20 official municipal business may participate in the comptroller's
21 [~~commission's~~] contract for travel services for the purpose of
22 obtaining reduced airline fares and reduced travel agent fees. The
23 comptroller [~~commission~~] may charge a participating municipality a
24 fee not to exceed the costs incurred by the comptroller
25 [~~commission~~] in providing services under this subsection. The
26 comptroller [~~commission~~] shall periodically review fees and shall
27 adjust them as needed to ensure recovery of costs incurred in

1 providing services to municipalities under this subsection. The
2 comptroller [~~commission~~] shall deposit the fees collected under
3 this subsection to the credit of the municipality airline fares
4 account. The municipality airline fares account is an account in
5 the general revenue fund that may be appropriated only for the
6 purposes of this chapter. The comptroller [~~commission~~] shall adopt
7 rules and make or amend contracts as necessary to administer this
8 subsection.

9 (h) A board member or employee of a communication district
10 or an emergency communication district established under Chapter
11 772, Health and Safety Code, who is engaged in official district
12 business may participate in the comptroller's [~~commission's~~]
13 contract for travel services for the purpose of obtaining reduced
14 airline fares and reduced travel agent fees. The comptroller
15 [~~commission~~] may charge a participating district a fee not to
16 exceed the costs incurred by the comptroller [~~commission~~] in
17 providing services under this subsection. The comptroller
18 [~~commission~~] shall periodically review fees and shall adjust them
19 as needed to ensure recovery of costs incurred in providing
20 services to districts under this subsection. The comptroller
21 [~~commission~~] shall deposit the fees collected under this subsection
22 to the credit of the emergency communication district airline fares
23 account. The emergency communication district airline fares
24 account is an account in the general revenue fund that may be
25 appropriated only for the purposes of this chapter. The
26 comptroller [~~commission~~] shall adopt rules and make or amend
27 contracts as necessary to administer this subsection.

1 (j) An officer or employee of a hospital district created
2 under general or special law who is engaged in official hospital
3 district business may participate in the comptroller's
4 ~~[commission's]~~ contract for travel services for the purpose of
5 obtaining reduced airline fares and reduced travel agent fees. The
6 comptroller ~~[commission]~~ may charge a participating hospital
7 district a fee not to exceed the costs incurred by the comptroller
8 ~~[commission]~~ in providing services under this subsection. The
9 comptroller ~~[commission]~~ shall periodically review fees and shall
10 adjust them as needed to ensure recovery of costs incurred in
11 providing services to hospital districts under this subsection.
12 The comptroller ~~[commission]~~ shall deposit the fees collected under
13 this subsection to the credit of the hospital district airline
14 fares account. The hospital district airline fares account is an
15 account in the general revenue fund that may be appropriated only
16 for the purposes of this chapter. The comptroller ~~[commission]~~
17 shall adopt rules and make or amend contracts as necessary to
18 administer this subsection.

19 SECTION 105. Sections [2171.056](#)(a), (b), and (c), Government
20 Code, are amended to read as follows:

21 (a) This section applies only to a state agency in the
22 executive branch of state government that is required to
23 participate in the comptroller's ~~[commission's]~~ contracts for
24 travel services.

25 (b) Except as provided by comptroller ~~[commission]~~ rule, a
26 state agency may not:

27 (1) purchase commercial airline or rental car

1 transportation if the amount of the purchase exceeds the amount of
2 the central travel office's contracted fares or rates; or

3 (2) reimburse a person for the purchase of commercial
4 airline or rental car transportation for the amount that exceeds
5 the amount of the central travel office's contracted fares or
6 rates.

7 (c) The comptroller [~~commission~~] shall educate state
8 agencies about this section.

9 SECTION 106. Section [2171.104](#)(d), Government Code, is
10 amended to read as follows:

11 (d) The Texas Facilities Commission [~~commission~~] shall
12 require a state agency to transfer surplus or salvage vehicles
13 identified by the management plan to the Texas Facilities
14 Commission [~~commission~~] and shall sell or dispose of the vehicles
15 in accordance with the provisions of Chapter [2175](#) that provide for
16 disposition of surplus or salvage property by the Texas Facilities
17 Commission [~~commission~~].

18 SECTION 107. The heading to Chapter [2172](#), Government Code,
19 is amended to read as follows:

20 CHAPTER 2172. MISCELLANEOUS GENERAL SERVICES PROVIDED BY
21 COMPTROLLER [~~COMMISSION~~]

22 SECTION 108. Sections [2172.001](#), [2172.0011](#), and [2172.002](#),
23 Government Code, are amended to read as follows:

24 Sec. 2172.001. CENTRAL SUPPLY STORE. The comptroller
25 [~~commission~~] may operate a central supply store at which only state
26 agencies, the legislature, and legislative agencies may obtain
27 small supply items. If the comptroller [~~commission~~] operates a

1 central supply store, the comptroller [~~commission~~] shall devise an
2 appropriate method of billing a using entity for the supplies.

3 Sec. 2172.0011. COMPTROLLER POWERS AND [~~TRANSFER OF~~]
4 DUTIES [~~, REFERENCE~~]. [~~(a)~~] The comptroller has under this chapter
5 the powers and duties described by Section 2151.004(d) [~~of the~~
6 ~~commission under this chapter are transferred to the comptroller~~].

7 [~~(b) In this chapter, a reference to the commission means~~
8 ~~the comptroller.~~]

9 Sec. 2172.002. BUSINESS MACHINE REPAIR. (a) The
10 comptroller [~~commission~~] may maintain a facility for repairing
11 office machines and may offer repair services to the following
12 entities located in Austin:

- 13 (1) state agencies;
- 14 (2) the legislature; and
- 15 (3) legislative agencies.

16 (b) Using entities shall pay the comptroller [~~commission~~]
17 for repair services by vouchers prepared and sent to the using
18 entity by the comptroller [~~commission~~].

19 (c) The comptroller [~~commission~~] may not repair or maintain
20 a privately owned machine.

21 SECTION 109. Sections 2172.003(a), (b), and (c), Government
22 Code, are amended to read as follows:

- 23 (a) The comptroller [~~commission~~] may:
 - 24 (1) assist a state agency with the agency's printing
 - 25 activities; and
 - 26 (2) assess and evaluate those activities.

27 (b) The comptroller [~~commission~~] may recommend changes

1 intended to increase the productivity and cost-effectiveness of
2 printing operations of state agencies. Recommendations may be
3 reported periodically as provided by comptroller [~~to the~~
4 ~~appropriate associate deputy director under commission~~] rules.

5 (c) The comptroller [~~commission~~] may:

6 (1) adopt standard accounting procedures that permit
7 evaluating and comparing the costs of printing operations conducted
8 by state agencies;

9 (2) coordinate activities among state print shops;

10 (3) review state agency requisitions for new printing
11 shop equipment;

12 (4) assist state agencies in expediting the production
13 of printing and graphic arts;

14 (5) maintain a roster of state print shops and their
15 equipment, facilities, and special capabilities;

16 (6) serve as a clearinghouse for private vendors of
17 printing services to ensure that printing services and supplies are
18 purchased in the most efficient and economical manner;

19 (7) coordinate the consolidation of print shops
20 operated by state agencies when the agencies involved determine
21 that consolidation is appropriate; and

22 (8) develop procedures for the recovery of the
23 comptroller's [~~commission's~~] reasonable costs under Chapter 317
24 from amounts appropriated to the state agencies for which
25 identified savings are achieved.

26 SECTION 110. Sections 2172.004 and 2172.005, Government
27 Code, are amended to read as follows:

1 Sec. 2172.004. ARCHIVES. The comptroller [~~commission~~] may
2 store and display the archives of Texas.

3 Sec. 2172.005. DONATIONS. The comptroller [~~commission~~] may
4 solicit and accept private donations for the Congress Avenue
5 beautification program, a capital improvements project in Austin.
6 The program includes improvements in the Capitol Complex [~~capitol~~
7 ~~complex~~] generally north of the Capitol along either side of
8 Congress Avenue.

9 SECTION 111. Sections 2172.006(a), (b), and (d), Government
10 Code, are amended to read as follows:

11 (a) Notwithstanding any other provision of law, the
12 comptroller [~~commission~~] may negotiate and contract with a
13 privately owned business entity for the design and manufacture of:

14 (1) an official state lapel pin for purchase by
15 members and former members of the house of representatives;

16 (2) an official state lapel pin for purchase by
17 members and former members of the senate;

18 (3) an official state ring for purchase by members and
19 former members of the house of representatives; and

20 (4) an official state ring for purchase by members and
21 former members of the senate.

22 (b) The comptroller [~~commission~~] must submit any design of
23 an official state lapel pin or ring to the State Preservation Board
24 for its approval.

25 (d) The comptroller [~~commission~~] by rule shall establish
26 the purchase price for a lapel pin or ring. After payment of
27 amounts required under the contract and recovery of its costs of

1 administering this section, the comptroller [~~commission~~] shall
2 deposit any remaining funds received from the sale of items under
3 this section to the credit of the Texas preservation trust fund.

4 SECTION 112. Sections 2176.0011, 2176.003, and 2176.004,
5 Government Code, are amended to read as follows:

6 Sec. 2176.0011. COMPTROLLER POWERS AND [~~TRANSFER OF~~]
7 DUTIES [~~, REFERENCE~~]. [~~(a)~~] The comptroller has under this chapter
8 the powers and duties described by Section 2151.004(d) [~~of the~~
9 ~~commission under this chapter are transferred to the comptroller~~].

10 [~~(b) In this chapter, a reference to the commission means~~
11 ~~the comptroller.~~]

12 Sec. 2176.003. [~~COMMISSION~~] EVALUATION OF STATE AGENCY MAIL
13 OPERATIONS. The comptroller [~~commission~~] shall:

14 (1) evaluate the mail operations of state agencies
15 located in Travis County and make recommendations to identify and
16 eliminate practices resulting in excessive mail costs; and

17 (2) establish minimum objectives and responsibilities
18 for managing mail for the agencies.

19 Sec. 2176.004. [~~COMMISSION~~] PROCEDURES FOR IMPROVEMENT OF
20 MAIL OPERATIONS. The comptroller [~~commission~~] shall:

21 (1) in conjunction with the United States Postal
22 Service, establish procedures to improve the measurement of state
23 agency mail costs, using postage meters or stamps as appropriate;

24 (2) establish procedures to determine the advantages
25 to state agencies of presorting mail;

26 (3) establish procedures to determine the lowest cost
27 class of mail necessary to effectively accomplish individual state

1 agency functions;

2 (4) evaluate the cost-effectiveness of using
3 alternatives to the United States Postal Service for delivering
4 state agency mail;

5 (5) train state agency personnel regarding
6 cost-effective mailing practices;

7 (6) set standards for receipt, delivery, collection,
8 and dispatch of mail; and

9 (7) publish and disseminate standards, guides, and
10 instructions for managing mail and establish and implement
11 procedures for monitoring compliance with the standards, guides,
12 and instructions.

13 SECTION 113. Section 2176.051(a), Government Code, is
14 amended to read as follows:

15 (a) The comptroller [~~commission~~] shall operate a messenger
16 service for delivering unstamped written communications and
17 packages between the following entities located in Travis County:

- 18 (1) state agencies;
19 (2) the legislature; and
20 (3) legislative agencies.

21 SECTION 114. Sections 2176.102, 2176.103, 2176.104,
22 2176.105, 2176.106, and 2176.107, Government Code, are amended to
23 read as follows:

24 Sec. 2176.102. [~~COMMISSION~~] EVALUATION. The comptroller
25 [~~commission~~] shall evaluate the outgoing first-class mail
26 practices of state agencies located in Travis County, including the
27 lists, systems, and formats used to create mail.

1 Sec. 2176.103. DISCOUNTED POSTAL RATES. The comptroller
2 [~~commission~~] shall achieve the maximum available discount on postal
3 rates whenever acceptable levels of timeliness, security, and
4 quality of service can be maintained using the discounted rate.

5 Sec. 2176.104. REQUIREMENT TO CONSULT WITH COMPTROLLER
6 [~~COMMISSION~~]. A state agency to which this subchapter applies
7 shall consult the comptroller [~~commission~~] before the agency may:

8 (1) purchase, upgrade, or sell mail processing
9 equipment;

10 (2) contract with a private entity for mail
11 processing; or

12 (3) take actions that significantly affect the
13 agency's first-class mail practices.

14 Sec. 2176.105. GUIDELINES FOR MEASURING AND ANALYZING
15 FIRST-CLASS MAIL PRACTICES. (a) The comptroller [~~commission~~]
16 shall adopt and distribute to each state agency to which this
17 subchapter applies guidelines by which outgoing first-class mail
18 practices may be measured and analyzed. The guidelines must require
19 using the services of the United States Postal Service to the extent
20 possible.

21 (b) The comptroller [~~commission~~] shall review and update
22 the guidelines at least once every two years, beginning two years
23 after the date on which the guidelines are adopted.

24 Sec. 2176.106. TRAINING. (a) Not later than the 90th day
25 after the date on which the initial guidelines under Section
26 [2176.105](#) are distributed, and at least annually beginning one year
27 after the date of distribution, the comptroller [~~commission~~] shall

1 provide training to state agency personnel who handle first-class
2 mail.

3 (b) The comptroller [~~commission~~] may use to the extent
4 possible free training provided by the United States Postal
5 Service.

6 Sec. 2176.107. PREREQUISITE TO UPGRADING OR REPLACING MAIL
7 EQUIPMENT; COMPARISON AND ANALYSIS. (a) If the comptroller
8 [~~commission~~] determines that upgrading existing mail production or
9 processing equipment or purchasing new mail production or
10 processing equipment is required to improve outgoing first-class
11 mail practices of the comptroller [~~commission~~] or another state
12 agency located in Travis County, the comptroller [~~commission~~] shall
13 prepare a cost-benefit analysis demonstrating that the upgrade or
14 purchase is more cost-effective than contracting with a private
15 entity to provide the equipment or mail service.

16 (b) The comptroller [~~commission~~] shall approve the most
17 cost-effective method.

18 SECTION 115. The heading to Section [2176.109](#), Government
19 Code, is amended to read as follows:

20 Sec. 2176.109. FEES FOR COMPTROLLER [~~COMMISSION~~] SERVICES.

21 SECTION 116. Sections [2176.109](#)(a) and (c), Government Code,
22 are amended to read as follows:

23 (a) The comptroller [~~commission~~] by interagency contract
24 shall charge and collect fees from each state agency to which this
25 subchapter applies for the comptroller's [~~commission's~~] services
26 under this subchapter.

27 (c) The comptroller [~~commission~~] shall transfer to the

1 general revenue fund the amount of a fee charged a state agency
2 under this section that is greater than the amount of the
3 comptroller's [~~commission's~~] actual expenses for performing the
4 services for the agency.

5 SECTION 117. Sections [2176.152](#) and [2176.203](#), Government
6 Code, are amended to read as follows:

7 Sec. 2176.152. PROCESSING UNITED STATES MAIL IN CAPITOL
8 COMPLEX. United States mail may be delivered to and from the post
9 office located in the Capitol Complex [~~capitol complex~~] on
10 agreement between the comptroller [~~commission~~] and the affected
11 agency.

12 Sec. 2176.203. NOTIFICATION OF SERVICE OPTIONS. The
13 comptroller [~~commission~~] shall, as part of the guidelines developed
14 under Section [2176.105](#), provide information to state agencies about
15 special mail services offered by the United States Postal Service.
16 The comptroller [~~commission~~] shall assist a state agency in
17 determining which service to use, considering the state agency's
18 needs for accountability, timeliness, security, and quality of
19 service.

20 SECTION 118. Section [2254.007](#)(b), Government Code, is
21 amended to read as follows:

22 (b) This section does not apply to the enforcement of a
23 contract entered into by a state agency as that term is defined by
24 Section [2151.002](#). In this subsection, "state agency" includes the
25 Texas Facilities [~~Building and Procurement~~] Commission and the
26 comptroller.

27 SECTION 119. Section [2262.0011](#), Government Code, is amended

1 to read as follows:

2 Sec. 2262.0011. COMPTROLLER POWERS AND [~~TRANSFER OF~~
3 DUTIES, ~~REFERENCE~~]. [~~(a)~~] The comptroller has under this chapter
4 the powers and duties described by Section 2151.004(d) [~~of the~~
5 ~~commission under this chapter are transferred to the comptroller~~].

6 ~~[(b) In this chapter, a reference to the commission means~~
7 ~~the comptroller.]~~

8 SECTION 120. Sections 2262.051(a) and (b), Government Code,
9 are amended to read as follows:

10 (a) In consultation with the attorney general, the
11 Department of Information Resources, [~~the comptroller,~~] and the
12 state auditor, the comptroller [~~commission~~] shall develop or
13 periodically update a contract management guide for use by state
14 agencies. Participation by the state auditor under this subsection
15 is subject to approval by the legislative audit committee for
16 inclusion in the audit plan under Section 321.013(c).

17 (b) The comptroller [~~commission~~] may adopt rules necessary
18 to develop or update the guide.

19 SECTION 121. Section 2262.054, Government Code, is amended
20 to read as follows:

21 Sec. 2262.054. PUBLIC COMMENT. The comptroller
22 [~~commission~~] by rule may establish procedures by which each state
23 agency is required to invite public comment by publishing the
24 proposed technical specifications for major contracts on the
25 Internet through the information service known as the Texas
26 Marketplace or through a suitable successor information service.
27 The guide must define "technical specifications."

1 SECTION 122. Section 361.965(e), Health and Safety Code, is
2 amended to read as follows:

3 (e) The comptroller [~~Texas Building and Procurement~~
4 ~~Commission~~] and the Department of Information Resources shall adopt
5 rules to implement this section.

6 SECTION 123. Section 195.008(b), Local Government Code, is
7 amended to read as follows:

8 (b) The committee consists of:

9 (1) the following persons appointed by the director
10 and librarian:

11 (A) one person who is employed by or is an officer
12 of a title insurance agent or title insurance company;

13 (B) an officer or employee of a federal
14 government-sponsored entity;

15 (C) a person who as a usual business practice
16 obtains copies of recorded instruments from a county clerk to
17 maintain an abstract or title plant; and

18 (D) a public representative;

19 (2) two persons who are county judges or county
20 commissioners appointed by the County Judges and Commissioners
21 Association of Texas;

22 (3) four county clerks appointed by the County and
23 District Clerks' Association of Texas;

24 (4) three persons who are employed by or officers of
25 different title insurance agents or companies appointed by the
26 Texas Land Title Association;

27 (5) the presiding officer of the Title Insurance

1 Subcommittee of the Real Estate, Probate, and Trust Law section of
2 the State Bar of Texas or the functional equivalent of that
3 subcommittee;

4 (6) the attorney general or a person designated by the
5 attorney general;

6 (7) the comptroller or a person designated by the
7 comptroller;

8 (8) the executive director of the Texas Facilities
9 [~~General Services~~] Commission or a person designated by the
10 executive director;

11 (9) the executive director of the Department of
12 Information Resources or a person designated by the executive
13 director; and

14 (10) the director and librarian or a person designated
15 by the director and librarian, who also serves as presiding officer
16 of the committee.

17 SECTION 124. Sections 263.152(a) and (a-1), Local
18 Government Code, are amended to read as follows:

19 (a) The commissioners court of a county may:

20 (1) periodically sell the county's surplus or salvage
21 property by competitive bid or auction, except that competitive
22 bidding or an auction is not necessary if the purchaser is another
23 county or a political subdivision within the county that is selling
24 the surplus or salvage property;

25 (2) offer the property as a trade-in for new property
26 of the same general type if the commissioners court considers that
27 action to be in the best interests of the county;

1 (3) order any of the property to be destroyed or
2 otherwise disposed of as worthless if the commissioners court
3 undertakes to sell that property under Subdivision (1) and is
4 unable to do so because no bids are made;

5 (4) dispose of the property by donating it to a civic
6 or charitable organization located in the county if the
7 commissioners court determines that:

8 (A) undertaking to sell the property under
9 Subdivision (1) would likely result in no bids or a bid price that
10 is less than the county's expenses required for the bid process;

11 (B) the donation serves a public purpose; and

12 (C) the organization will provide the county with
13 adequate consideration, such as relieving the county of
14 transportation or disposal expenses related to the property;

15 (5) transfer gambling equipment in the possession of
16 the county following its forfeiture to the state to the Texas
17 Facilities [~~Building and Procurement~~] Commission for sale under
18 Section [2175.904](#), Government Code; or

19 (6) order any vehicle retired under a program designed
20 to encourage the use of low-emission vehicles to be crushed and
21 recycled, if practicable, without a competitive bid or auction.

22 (a-1) The commissioners court shall remit money received
23 from the Texas Facilities [~~Building and Procurement~~] Commission
24 from the sale of gambling equipment under Section [2175.904](#)(c),
25 Government Code, less administrative expenses incurred by the
26 county in connection with the transfer and sale of the equipment, to
27 the local law enforcement agency that originally seized the

1 equipment.

2 SECTION 125. Sections 31.157(b) and (c), Natural Resources
3 Code, are amended to read as follows:

4 (b) The draft report shall be submitted to the Texas
5 Facilities [~~Building and Procurement~~] Commission, which shall
6 further evaluate the potential use of the real property by another
7 state agency. The land office shall submit a draft report to each
8 agency that owns or holds in trust property that is the subject of
9 the draft report. The Texas Facilities [~~Building and Procurement~~]
10 Commission may make additional recommendations regarding the use of
11 the real property. The state agency that owns or controls real
12 property named in the report may comment on any findings or
13 recommendations made by the commissioner. The Texas Facilities
14 [~~Building and Procurement~~] Commission and any state agency that
15 owns or controls real property named in the report shall complete a
16 review of the draft report within 60 days of the receipt of the
17 report and forward all recommendations and comments to the
18 commissioner.

19 (c) The commissioner shall prepare and issue a final
20 evaluation report that incorporates any recommendations of the
21 Texas Facilities [~~Building and Procurement~~] Commission regarding
22 the potential use of the real property by another state agency and
23 any comments from any state agency that owns or controls property
24 named in the report.

25 SECTION 126. The following provisions of the Government
26 Code are repealed:

27 (1) Section 2170.0011;

1 (2) Section 2170.0012; and

2 (3) Section 2262.001(1-a).

3 SECTION 127. This Act takes effect September 1, 2019.