

By: Johnson

S.B. No. 788

A BILL TO BE ENTITLED

AN ACT

relating to the preference given by state and local governmental entities to agricultural products produced or grown in this state.

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

SECTION 1. Sections 44.042(a) and (b), Education Code, are amended to read as follows:

(a) A school district that purchases agricultural products shall give preference to those produced, processed, or grown in this state if the cost to the school district is equal and the quality is equal. A school district that purchases agricultural products may give preference to products produced, processed, or grown in this state if the cost to the school district does not exceed 107 percent of the cost of agricultural products produced, processed, or grown outside of this state and the quality is equal.

(b) If agricultural products produced, processed, or grown in this state are not given a preference under Subsection (a) [equal in cost and quality to other products], the school district shall give preference to agricultural products produced, processed, or grown in other states of the United States over foreign products if the cost to the school district is equal and the quality is equal.

SECTION 2. Sections 2155.444(a) and (b), Government Code, are amended to read as follows:

(a) The commission and all state agencies making purchases of goods, including agricultural products, shall give preference to

1 those produced or grown in this state or offered by Texas bidders as  
2 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 if the cost to the state and quality are  
10 equal, and may be given first preference if the cost to the state  
11 does not exceed 107 percent of the cost of agricultural products  
12 grown outside of this state and the quality is equal, and  
13 agricultural products offered by Texas bidders shall be given  
14 second preference, if the cost to the state and quality are equal.

15 (b) If goods, including agricultural products, produced or  
16 grown in this state or offered by Texas bidders are not given  
17 preference under Subsection (a) [~~equal in cost and quality to other~~  
18 ~~products~~], then goods, including agricultural products, produced  
19 or grown in other states of the United States shall be given  
20 preference over foreign products if the cost to the state and  
21 quality are equal.

22 SECTION 3. Subchapter Z, Chapter 271, Local Government  
23 Code, is amended by adding Section 271.909 to read as follows:

24 Sec. 271.909. PREFERENCE FOR TEXAS AGRICULTURAL PRODUCTS.

25 (a) In this section, "local governmental entity" means a  
26 municipality, county, special-purpose district or authority, or  
27 other political subdivision of this state. The term does not

1 include a school district.

2 (b) A local governmental entity that purchases agricultural  
3 products shall give preference to those produced or grown in this  
4 state if the cost to the local governmental entity is equal and the  
5 quality is equal.

6 (c) A local governmental entity that purchases agricultural  
7 products may give preference to those products produced or grown in  
8 this state if the cost to the local governmental entity does not  
9 exceed 107 percent of the cost of agricultural products produced or  
10 grown outside of this state and the quality is equal.

11 SECTION 4. The changes in law made by this Act apply only to  
12 a contract for which a state agency, school district, or local  
13 governmental entity first advertises or otherwise solicits bids,  
14 proposals, offers, or qualifications on or after the effective date  
15 of this Act. A contract for which a state agency, school district,  
16 or local governmental entity first advertised or otherwise  
17 solicited bids, proposals, offers, or qualifications before that  
18 date is governed by the law in effect when the first advertisement  
19 or solicitation was given, and the former law is continued in effect  
20 for that purpose.

21 SECTION 5. This Act takes effect September 1, 2019.