

BILL ANALYSIS

Senate Research Center
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S.B. 783
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Iron and steel manufacturing facilities have closed in Texas, and we will continue to lose iron and steel manufacturing jobs. The reason is because foreign countries, like China and Turkey, subsidize their iron and steel manufacturing, circumvent our trade laws, and flood the United States with cheap iron and steel. Texas-based iron and steel manufacturers cannot compete with foreign countries who have a proven track record of environmental and human rights violations. Until the United States aggressively enforces our federal trade laws, Texas must act to level the playing field or risk losing more iron and steel manufacturing jobs.

In the 85th Regular session, S.B. 1289 was passed, expanding the "Buy America" provision already in statute for the Texas Department of Transportation and the Texas Water Development Board to all state agencies for infrastructure projects.

S.B. 783 would build upon this legislation by further expanding the "Buy America" program to institutions of higher education. This bill would not increase the cost of state buildings or infrastructure and does not eliminate competition. The contractors, distributors, fabricators, and manufacturers still have to compete for projects and the institutions award contracts based on lowest price or best value.

As proposed, S.B. 783 amends current law relating to the purchase of iron and steel products made in the United States for certain projects by public institutions of higher education.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 2252.201(1), Government Code, to redefine "governmental entity" for purposes of Subchapter G (Certain Construction and Installation Projects) to include an institution of higher education as defined by Section 61.003 (Definitions), Education Code.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2021.