BILL ANALYSIS

Senate Research Center 87R3160 RDS-F

S.B. 1122 By: Zaffirini Finance 4/1/2021 As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Comptroller of Public Accounts of the State of Texas (comptroller) develops travel services contracts for state agencies under Section 2171.055, Government Code. While local government members of the comptroller's cooperative purchasing program, Texas SmartBuy, are allowed to utilize a wide variety of statewide contracts, it is not clear in statute that these same members can purchase from the comptroller's travel services contracts.

Section 2171.055, Government Code, limits the local governmental entities that can purchase from the travel services contracts to only those mentioned in statute, such as cities, counties, and public school districts. At least 400 other Texas SmartBuy members are restricted from purchasing off these contracts because they are not listed in this section.

A comptroller recommendation, S.B. 1122 would clarify in statute that Texas SmartBuy members, including local government entities and workforce development boards, can purchase from the statewide travel services contracts. The bill also removes language relating to a travel service fee that the comptroller's office is not collecting and does not intend to collect in the future.

Expanding the use of the travel services contracts to all Texas SmartBuy members would save local entities the time and cost of having to procure these same services on their own. What's more, allowing more entities to buy from the travel services contracts will potentially increase the spend on these contracts and, accordingly, would increase the state's purchasing power, which the comptroller's office can use as leverage when soliciting these services.

As proposed, S.B. 1122 amends current law relating to participation in the comptroller's contracts for travel services.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Comptroller of Public Accounts of the State of Texas in SECTION 1 (Section 2171.055, Government Code) of this bill.

Rulemaking authority previously granted to the Comptroller of Public Accounts of the State of Texas is modified in SECTION 1 (Section 2171.055, Government Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 2171.055, Government Code, by amending Subsections (e), (f), (g), (h), (i), and (j) and adding Subsection (k), as follows:

(e) Deletes existing text authorizing the Comptroller of Public Accounts of the State of Texas (comptroller) to charge a participating county a fee not to exceed the costs incurred by the comptroller in providing services under this subsection. Deletes existing text requiring the comptroller to periodically review fees and adjust them as needed to ensure recovery of costs incurred in providing services to counties under this subsection. Deletes existing text requiring the comptroller to deposit the fees collected under this subsection to the credit of the county airline fares account. Deletes existing text providing that the county airline fares account is an account in the general revenue fund that is authorized to

be appropriated only for the purposes of Chapter 2171 (Travel and Vehicle Fleet Services).

- (f) Deletes existing text authorizing the comptroller to charge a participating public junior college, open-enrollment charter school, or school district a fee not to exceed the costs incurred by the comptroller in providing services under this subsection. Deletes existing text requiring the comptroller to periodically review fees and adjust them as needed to ensure recovery of costs incurred in providing services to public junior colleges, open-enrollment charter schools, and school districts under this subsection. Deletes existing text requiring the comptroller to deposit the fees collected under this subsection to the credit of the public education travel account. Deletes existing text providing that the public education travel account is an account in the general revenue fund that is authorized to be appropriated only for the purposes of Chapter 2171.
- (g) Deletes existing text authorizing the comptroller to charge a participating municipality a fee not to exceed the costs incurred by the comptroller in providing services under this subsection. Deletes existing text requiring the comptroller to periodically review fees and adjust them as needed to ensure recovery of costs incurred in providing services to municipalities under this subsection. Deletes existing text requiring the comptroller to deposit the fees collected under this subsection to the credit of the municipality airline fares account. Deletes existing text providing that municipality airline fares account in the general revenue fund that is authorized to be appropriated only for the purposes of Chapter 2171.
- (h) Deletes existing text authorizing the comptroller to charge a participating district a fee not to exceed the costs incurred by the comptroller in providing services under this subsection. Deletes existing text requiring the comptroller to periodically review fees and adjust them as needed to ensure recovery of costs incurred in providing services to districts under this subsection. Deletes existing text requiring the comptroller to deposit the fees collected under this subsection to the credit of the emergency communication district airline fares account. Deletes existing text providing that the emergency communication district airline fares account is an account in the general revenue fund that is authorized to be appropriated only for the purposes of Chapter 2171.
- (i) Deletes existing text authorizing the comptroller to charge a participating authority, department, district, or system a fee not to exceed the costs incurred by the comptroller in providing services under this subsection. Deletes existing text requiring the comptroller to periodically review fees and adjust them as needed to ensure recovery of costs incurred in providing services to authorities, departments, districts, and systems under this subsection.
- (j) Deletes existing text authorizing the comptroller to charge a participating hospital district a fee not to exceed the costs incurred by the comptroller in providing services under this subsection. Deletes existing text requiring the comptroller to periodically review fees and adjust them as needed to ensure recovery of costs incurred in providing services to hospital districts under this subsection. Deletes existing requiring the comptroller to deposit the fees collected under this subsection to the credit of the hospital district airline fares account. Deletes existing text providing that the hospital district airline fares account is an account in the general revenue fund that is authorized to be appropriated only for the purposes of Chapter 2171.
- (k) Authorizes an officer or employee of a qualified cooperative entity who is engaged in official business of the qualified cooperative entity to participate in the comptroller's contracts for travel services. Requires the comptroller to adopt rules and make or amend contracts as necessary to administer this subsection. Defines "qualified cooperative entity."

SECTION 2. Effective date: upon passage or September 1, 2021.