

By: Pacheco

H.B. No. 1336

A BILL TO BE ENTITLED

AN ACT

relating to requiring state contractors and political subdivisions of this state to participate in the federal electronic verification of employment authorization program, or E-verify.

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

SECTION 1. The heading to Chapter 2264, Government Code, is amended to read as follows:

CHAPTER 2264. CERTAIN RESTRICTIONS ON [USE OF CERTAIN] PUBLIC SUBSIDIES AND STATE CONTRACTS

SECTION 2. Section 2264.101, Government Code, is transferred to Subchapter B, Chapter 2264, Government Code, redesignated as Section 2264.054, Government Code, and amended to read as follows:

Sec. 2264.054 [~~2264.101~~]. RECOVERY. (a) A public agency, local taxing jurisdiction, or economic development corporation, or the attorney general on behalf of the state or a state agency, may bring a civil action to recover any amounts owed to the public agency, state or local taxing jurisdiction, or economic development corporation under this subchapter [~~chapter~~].

(b) The public agency, local taxing jurisdiction, economic development corporation, or attorney general, as applicable, shall recover court costs and reasonable attorney's fees incurred in an action brought under Subsection (a).

(c) A business is not liable for a violation of this

1 subchapter [~~chapter~~] by a subsidiary, affiliate, or franchisee of
2 the business, or by a person with whom the business contracts.

3 SECTION 3. The heading to Subchapter C, Chapter 2264,
4 Government Code, is amended to read as follows:

5 SUBCHAPTER C. E-VERIFY PROGRAM [~~ENFORCEMENT~~]

6 SECTION 4. Subchapter C, Chapter 2264, Government Code, is
7 amended by adding Sections 2264.1011, 2264.102, and 2264.103 to
8 read as follows:

9 Sec. 2264.1011. DEFINITIONS. In this subchapter:

10 (1) "E-verify program" has the meaning assigned by
11 Section 673.001.

12 (2) "State agency" has the meaning assigned by Section
13 2103.001.

14 Sec. 2264.102. VERIFICATION BY CONTRACTORS. (a) A state
15 agency may not award a contract for goods or services within this
16 state to a contractor unless the contractor and any subcontractor
17 register with and participate in the E-verify program to verify
18 employee information. The contractor and any subcontractor must
19 continue to participate in the program during the term of the
20 contract.

21 (b) Each contract with a state agency must include the
22 following statement:

23 "_____ (name of contractor) certifies that
24 _____ (name of contractor) is not ineligible to receive this
25 contract under Subchapter C, Chapter 2264, Government Code, and
26 acknowledges that if this certification is inaccurate or becomes
27 inaccurate during the term of the contract, the contractor may be

1 barred from participating in state contracts."

2 (c) If a state agency determines that a contractor was
3 ineligible to have the contract awarded under Subsection (a), that
4 a contractor has ceased participation in the E-verify program
5 during the term of the contract, or that a subcontractor is not
6 registered with or is not participating in the E-verify program,
7 the state agency shall refer the matter to the comptroller for
8 action.

9 (d) Each state agency shall develop procedures for the
10 administration of this section.

11 Sec. 2264.103. BARRING FROM STATE CONTRACTS. (a) Using
12 procedures prescribed under Section 2155.077, the comptroller
13 shall bar a contractor from participating in state contracts if the
14 comptroller determines that the contractor:

15 (1) was awarded a contract in violation of Section
16 2264.102;

17 (2) has ceased participation in the E-verify program
18 during the term of the contract; or

19 (3) hired a subcontractor to perform work under the
20 contract who is not registered with or is not participating in the
21 E-verify program.

22 (b) Debarment under this section is for a period of one year
23 except that the debarment may be extended by the comptroller for
24 additional one-year periods if the comptroller determines that the
25 grounds for debarment under this section continue to exist.

26 SECTION 5. Subtitle C, Title 5, Local Government Code, is
27 amended by adding Chapter 179 to read as follows:

1 CHAPTER 179. VERIFICATION OF EMPLOYEE INFORMATION

2 Sec. 179.001. DEFINITIONS. In this chapter:

3 (1) "E-verify program" has the meaning assigned by
4 Section 673.001, Government Code.

5 (2) "Political subdivision" means a county,
6 municipality, school district, junior college district, other
7 special district, or other subdivision of state government.

8 Sec. 179.002. VERIFICATION. A political subdivision shall
9 register and participate in the E-verify program to verify
10 information of all new employees.

11 Sec. 179.003. TERMINATION OF EMPLOYMENT. An employee of a
12 political subdivision who is responsible for verifying information
13 of new employees of the political subdivision as required by
14 Section 179.002 is subject to immediate termination of employment
15 if the employee fails to comply with that section.

16 SECTION 6. Each state agency subject to Subchapter C,
17 Chapter 2264, Government Code, as amended by this Act, shall
18 develop the procedures required under Section 2264.102(d),
19 Government Code, as added by this Act, not later than October 1,
20 2021.

21 SECTION 7. Sections 2264.1011, 2264.102, and 2264.103,
22 Government Code, as added by this Act, apply only in relation to a
23 contract for which the request for bids or proposals or other
24 applicable expression of interest is made public on or after the
25 effective date of this Act.

26 SECTION 8. This Act takes effect September 1, 2021.