

1-1 By: Bell of Kaufman, et al. H.B. No. 1476  
 1-2 (Senate Sponsor - Nichols)  
 1-3 (In the Senate - Received from the House May 12, 2021;  
 1-4 May 17, 2021, read first time and referred to Committee on Local  
 1-5 Government; May 22, 2021, reported favorably by the following  
 1-6 vote: Yeas 8, Nays 0; May 22, 2021, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8 Bettencourt	X			
1-9 Menéndez	X			
1-10 Eckhardt	X			
1-11 Gutierrez			X	
1-12 Hall	X			
1-13 Nichols	X			
1-14 Paxton	X			
1-15 Springer	X			
1-16 Zaffirini	X			

1-18 A BILL TO BE ENTITLED  
 1-19 AN ACT

1-20 relating to a vendor's remedies for nonpayment of a contract with  
 1-21 this state or a political subdivision of this state.

1-22 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-23 SECTION 1. Section 2251.042, Government Code, is amended by  
 1-24 amending Subsection (a) and adding Subsection (d) to read as  
 1-25 follows:

1-26 (a) A governmental entity shall notify a vendor of an error  
 1-27 or disputed amount in an invoice submitted for payment by the vendor  
 1-28 not later than the 21st day after the date the entity receives the  
 1-29 invoice, and shall include in such notice a detailed statement of  
 1-30 the amount of the invoice which is disputed.

1-31 (d) The governmental entity may withhold from payments  
 1-32 required no more than 110 percent of the disputed amount.

1-33 SECTION 2. Section 2251.042, Government Code, as amended by  
 1-34 this Act, applies only to a contract entered into on or after the  
 1-35 effective date of this Act. A contract entered into before that date  
 1-36 is governed by the law in effect on the date the contract was  
 1-37 entered into, and the former law is continued in effect for that  
 1-38 purpose.

1-39 SECTION 3. This Act takes effect September 1, 2021.

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