

By: Capriglione, Bell of Montgomery,
Schaefer, Slawson, Oliverson, et al.

H.B. No. 2558

Substitute the following for H.B. No. 2558:

By: Paddie

C.S.H.B. No. 2558

A BILL TO BE ENTITLED

AN ACT

relating to prohibited state contracts with companies that
discriminate against the firearm or ammunition industries.

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

SECTION 1. Subtitle F, Title 10, Government Code, is
amended by adding Chapter 2274 to read as follows:

CHAPTER 2274. PROHIBITION ON CONTRACTS WITH COMPANIES THAT
DISCRIMINATE AGAINST FIREARM AND AMMUNITION INDUSTRIES

Sec. 2274.001. DEFINITIONS. In this chapter:

(1) "Ammunition" means a loaded cartridge case,
primer, bullet, or propellant powder with or without a projectile.

(2) "Company" means a for-profit organization,
association, corporation, partnership, joint venture, limited
partnership, limited liability partnership, or limited liability
company, including a wholly owned subsidiary, majority-owned
subsidiary, parent company, or affiliate of those entities or
associations that exists to make a profit.

(3) "Discriminate against a firearm entity or firearm
trade association" means, with respect to the entity or
association, to:

(A) refuse to engage in the trade of any goods or
services;

(B) refrain from continuing an existing business
relationship;

1 (C) terminate an existing business relationship;
2 or

3 (D) otherwise express a prejudice against the
4 entity or association.

5 (4) "Firearm" means a weapon that expels a projectile
6 by the action of explosive or expanding gases.

7 (5) "Firearm accessory" means a device specifically
8 designed or adapted to enable an individual to wear, carry, store,
9 or mount a firearm on the individual or on a conveyance and an item
10 used in conjunction with or mounted on a firearm that is not
11 essential to the basic function of the firearm. The term includes a
12 detachable firearm magazine.

13 (6) "Firearm entity" means:

14 (A) a firearm, firearm accessory, or ammunition
15 manufacturer, distributor, wholesaler, supplier, or retailer; and

16 (B) a sport shooting range as defined by Section
17 250.001, Local Government Code.

18 (7) "Firearm trade association" means any person,
19 corporation, unincorporated association, federation, business
20 league, or business organization that:

21 (A) is not organized or operated for profit and
22 for which none of its net earnings inures to the benefit of any
23 private shareholder or individual;

24 (B) has two or more firearm entities as members;
25 and

26 (C) is exempt from federal income taxation under
27 Section 501(a), Internal Revenue Code of 1986, as an organization

1 described by Section 501(c)(6) of that code.

2 (8) "Governmental entity" has the meaning assigned by
3 Section 2251.001.

4 Sec. 2274.002. PROVISION REQUIRED IN CONTRACT. (a) This
5 section applies only to a contract to be paid partly or wholly from
6 public funds between a governmental entity and a company with at
7 least 10 full-time employees that has a value of at least \$100,000.

8 (b) Subject to Subsection (c), a governmental entity may not
9 enter into a contract with a company for the purchase of goods or
10 services unless the contract contains a written verification from
11 the company that it:

12 (1) does not have a written or unwritten internal
13 practice, policy, guidance, or directive that discriminates
14 against a firearm entity or firearm trade association based solely
15 on its status as a firearm entity or firearm trade association; and

16 (2) will not discriminate during the term of the
17 contract against a firearm entity or firearm trade association
18 based solely on its status as a firearm entity or firearm trade
19 association.

20 (c) This section does not apply to a governmental entity
21 that determines the requirement is inconsistent with the entity's
22 constitutional or statutory duties related to the issuance of debt
23 obligations or the deposit or investment of funds.

24 SECTION 2. The change in law made by this Act applies only
25 to a contract entered into on or after the effective date of this
26 Act. A contract entered into before the effective date of this Act
27 is governed by the law as it existed immediately before the

1 effective date of this Act, and that law is continued in effect for
2 that purpose.

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