88R18955 MZM-F

By:  Romero, Jr. H.B. No. 1196

Substitute the following for H.B. No. 1196:

By:  Ordaz C.S.H.B. No. 1196

A BILL TO BE ENTITLED

AN ACT

relating to certain contracts regarding airports operated by or on behalf of a local government.

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

SECTION 1.  Section 22.019, Transportation Code, is amended to read as follows:

Sec. 22.019.  CONTRACTS. Except as provided by Section 22.0191, a [~~A~~] local government may enter into a contract necessary to the execution of a power granted the local government and for a purpose provided by this chapter.

SECTION 2.  Subchapter B, Chapter 22, Transportation Code, is amended by adding Section 22.0191 to read as follows:

Sec. 22.0191.  CERTAIN AIRPORT INFRASTRUCTURE OR EQUIPMENT CONTRACTS. (a) This section applies only to an airport infrastructure or equipment contract for the procurement of a passenger boarding bridge at an airport.

(b)  A local government or a person operating an airport on behalf of a local government may not enter into an airport infrastructure or equipment contract with:

(1)  an entity that:

(A)  a federal court determines has misappropriated intellectual property or trade secrets from another entity organized under federal, state, or local law; and

(B)  is owned wholly or partly by, is controlled by, or receives subsidies from the government of the People's Republic of China;

(2)  any entity that owns, controls, is owned or controlled by, is under common ownership with, or is a successor to an entity described by Subdivision (1); or

(3)  any entity that has entered into an agreement with or accepted funding from an entity described by Subdivision (1) or (2), whether in the form of a minority investment interest, debt, partnership, or other contractual or written agreement.

(c)  An airport infrastructure or equipment contract entered into by a local government or a person operating an airport on behalf of a local government must contain a written statement by the entity with which the local government or person is contracting verifying that the entity is not an entity described by Subsection (b)(1), (2), or (3).

(d)  If the written statement required in an airport infrastructure or equipment contract under Subsection (c) is found to be false, the contract is voidable by the local government or person operating the airport.

SECTION 3.  Section 22.0191, Transportation Code, as added by this Act, applies only to an airport infrastructure or equipment contract entered into, modified, or renewed on or after the effective date of this Act.

SECTION 4.  This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2023.