

By: Capriglione

H.B. No. 1817

A BILL TO BE ENTITLED

AN ACT

relating to the validity of a contract for which a disclosure of interested parties is required.

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

SECTION 1. Section 2252.908, Government Code, is amended by adding Subsection (f-1) to read as follows:

(f-1) A contract described by Subsection (b) entered into by a governmental entity or state agency is voidable for failure to provide the disclosure of interested parties required by this section only if:

(1) the governmental entity or state agency submits to the business entity written notice of the business entity's failure to provide the required disclosure; and

(2) the business entity fails to submit to the governmental entity or state agency the required disclosure on or before the 10th business day after the date the business entity receives the written notice under Subdivision (1).

SECTION 2. A court in which a suit challenging the validity of a contract described by Section 2252.908(b), Government Code, is pending on the effective date of this Act may require the governmental entity or state agency to provide the written notice required under Section 2252.908(f-1), Government Code, as added by this Act, if the court finds that failure to enforce that requirement would cause an inequitable or unjust result for the

1 parties to the suit.

2 SECTION 3. A contract described by Section 2252.908(b),
3 Government Code, that was executed before the effective date of
4 this Act is presumed to have been properly executed in accordance
5 with Section 2252.908, Government Code, if an action to void or
6 invalidate the contract has not been filed with a court in this
7 state before the effective date of this Act.

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