

By: Shine

H.B. No. 2389

A BILL TO BE ENTITLED

AN ACT

relating to employee-owned companies.

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

SECTION 1. Section 301.004, Business Organizations Code, is amended to read as follows:

Sec. 301.004. AUTHORIZED PERSON. For purposes of this title, a person is an authorized person with respect to:

(1) a professional association if the person is a professional individual; ~~and~~

(2) a ~~[professional corporation or a]~~ professional limited liability company if the person is a professional individual or professional organization; and

(3) a professional corporation if the person is:

(A) a professional individual;

(B) a professional organization; or

(C) an employee stock ownership plan, as described by Section 303.0015, established by the corporation.

SECTION 2. Chapter 303, Business Organizations Code, is amended by adding Section 303.0015 to read as follows:

Sec. 303.0015. AUTHORIZED PERSON: EMPLOYEE STOCK OWNERSHIP PLAN. For purposes of this chapter, an employee stock ownership plan, as defined by Section 4975(e) of the Internal Revenue Code of 1986 (26 U.S.C. Section 4975(e)), established by a professional corporation, is an authorized person if:

1 (1) all of the voting trustees of the plan are
2 professional individuals who are licensed to provide at least one
3 category of the professional services described in the
4 corporation's certificate of formation; and

5 (2) the ownership interests in the plan are not
6 directly issued to any person other than the plan trust or a
7 professional individual licensed to provide at least one category
8 of the professional services described in the corporation's
9 certificate of formation.

10 SECTION 3. Subchapter B, Chapter 481, Government Code, is
11 amended by adding Section 481.030 to read as follows:

12 Sec. 481.030. ESTABLISHMENT OF EMPLOYEE OWNERSHIP
13 ASSISTANCE WEBSITE. The office shall establish and maintain an
14 Internet website for employee-owned company information to serve as
15 a source of:

16 (1) outreach and information dissemination for
17 fostering increased awareness of employee stock ownership plans;
18 and

19 (2) technical assistance to assist businesses in
20 determining the feasibility of establishing an employee stock
21 ownership plan.

22 SECTION 4. Section 2155.074(b-1), Government Code, is
23 amended to read as follows:

24 (b-1) The comptroller or other state agency may, subject to
25 Subsection (c) and Section 2155.075, consider the following
26 relevant factors under Subsection (b), including:

27 (1) installation costs;

- 1 (2) life cycle costs;
- 2 (3) the quality and reliability of the goods and
3 services;
- 4 (4) the delivery terms;
- 5 (5) indicators of probable vendor performance under
6 the contract such as past vendor performance, the vendor's
7 financial resources and ability to perform, the vendor's experience
8 or demonstrated capability and responsibility, and the vendor's
9 ability to provide reliable maintenance agreements and support;
- 10 (6) the cost of any employee training associated with
11 a purchase;
- 12 (7) the effect of a purchase on agency productivity;
- 13 (8) the vendor's anticipated economic impact to the
14 state or a subdivision of the state, including potential tax
15 revenue and employment;
- 16 (9) the impact of a purchase on the agency's
17 administrative resources; ~~and~~
- 18 (10) whether the vendor is an employee-owned company,
19 as defined by Section 271.909, Local Government Code, that is
20 incorporated or headquartered in this state; and
- 21 (11) other factors relevant to determining the best
22 value for the state in the context of a particular purchase.

23 SECTION 5. Subchapter **Z**, Chapter **271**, Local Government
24 Code, is amended by adding Section 271.909 to read as follows:

25 Sec. 271.909. CONSIDERATION OF TEXAS EMPLOYEE-OWNED
26 COMPANIES. (a) In this section:

27 (1) "Employee-owned company" means a corporation for

1 which a majority of the stock is held by an employee stock ownership
2 plan, as defined by Section 4975(e) of the Internal Revenue Code of
3 1986 (26 U.S.C. Section 4975(e)).

4 (2) "Governmental entity" means a municipality,
5 county, or special district.

6 (b) A governmental entity may consider as a relevant factor
7 in scoring a vendor who is responding to a procurement solicitation
8 for goods or services whether the vendor is an employee-owned
9 company incorporated or headquartered in this state.

10 SECTION 6. This Act takes effect September 1, 2023.