

By: Isaac

H.B. No. 251

A BILL TO BE ENTITLED

AN ACT

relating to prohibited considerations in governmental entity contracting and elimination of the state's historically underutilized business program.

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

SECTION 1. Subchapter [Z](#), Chapter [2252](#), Government Code, is amended by adding Section 2252.911 to read as follows:

Sec. 2252.911. PROHIBITED CONSIDERATIONS IN CONTRACTING.

(a) In this section, "governmental entity" has the meaning assigned by Section [2252.001](#).

(b) Notwithstanding any other law, a governmental entity:

(1) may only consider the standard under Section [2155.074](#) and other merit-based criteria when awarding a contract; and

(2) may not award a contract or provide preferential treatment to a person submitting a bid for a contract on the basis of:

(A) race, color, ethnicity, sex, gender identity, or sexual orientation; or

(B) other criteria established as part of a diversity, equity, and inclusion practice or program.

SECTION 2. Chapter [2161](#), Government Code, is repealed.

SECTION 3. The repeal by this Act of Chapter [2161](#), Government Code, does not apply to a transfer of funds directed by

1 the Legislative Budget Board under Section 2161.005, Government  
2 Code, before the effective date of this Act. A transfer of funds  
3 directed by the Legislative Budget Board before the effective date  
4 of this Act is governed by that section as it existed immediately  
5 before the effective date of this Act, and the former law is  
6 continued in effect for that purpose.

7       SECTION 4. The changes in law made by this Act apply only to  
8 a contract entered into on or after the effective date of this Act.  
9 A contract entered into before that date is governed by the law in  
10 effect on the date the contract was entered into, and the former law  
11 is continued in effect for that purpose.

12       SECTION 5. This Act takes effect on the 91st day after the  
13 last day of the legislative session.