

## **BILL ANALYSIS**

Senate Research Center  
89R1745 MCK-F

S.B. 925  
By: Hancock  
Business & Commerce  
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As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Current law states that governmental entities awarding public work contracts funded with state funds may not discriminate against a person bidding for the contract based on their agreements with collective bargaining organizations nor require them to be in association with these organizations. This allows for a competitive, open market regardless of group affiliation. However, many local governments are still requiring these specific agreements on public work contracts funded through other public funding, such as local tax dollars, user fees, federal funds, etc.

S.B. 925 would expand the prohibition on discriminating based on labor agreements for public contract work to include local governmental money, governmentally administered financial assistance, money from ratepayers, or money from user fees. Such preferences place the state in a position of picking winners and losers in decisions not based upon the most efficient cost or the most competent labor in the execution of government contracts.

As proposed, S.B. 925 amends current law relating to certain agreements with collective bargaining organizations related to certain publicly funded public work contracts.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 51.7761(b), Education Code, to prohibit an institution awarding a public work contract funded wholly or partly with state or local government money or governmentally administered financial assistance, including the issuance of debt guaranteed by this state or a local governmental entity, money from ratepayers, or money from user fees, from performing certain actions.

SECTION 2. Amends Section 2269.0541(a), Government Code, to prohibit a governmental entity awarding a public work contract funded wholly or partly with state or local government money or governmentally administered financial assistance, including the issuance of debt guaranteed by this state or a local governmental entity, money from ratepayers, or money from user fees, from performing certain actions.

SECTION 3. Makes application of Section 51.7761, Education Code, and Section 2269.0541, Government Code, as amended by this Act, prospective.

SECTION 4. Effective date: upon passage or September 1, 2025.