

By: Hinojosa

H.B. No. 5279

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to consideration of the compensation of a vendor's chief  
3 executive officer as an additional relevant factor in determining  
4 the best value for the state when awarding a state contract.

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

6 SECTION 1. Subchapter B, Chapter 2155, Government Code, is  
7 amended by adding Section 2155.0745 to read as follows:

8 Sec. 2155.0745. ADDITIONAL RELEVANT FACTORS: SALARY  
9 EQUALIZATION. In determining the best value for the state, an  
10 additional relevant factor a state agency shall consider is whether  
11 the vendor's chief executive officer receives total annual  
12 compensation from the vendor, including cash, equity, and other  
13 benefits, in an amount that is not more than 20 times the median  
14 annual compensation paid by the vendor to all full-time employees  
15 of the vendor.

16 SECTION 2. The changes in law made by this Act apply only to  
17 a contract for which the request for bids or proposals or other  
18 applicable expressions of interest, if applicable, is made public  
19 on or after the effective date of this Act.

20 SECTION 3. This Act takes effect September 1, 2025.