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1 AN ACT 2 relating to purchasing and contracting by governmental entities; 3 authorizing fees. BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 4 5 SECTION 1. Section 2155.510, Government Code, is amended to read as follows: 6 7 Sec. 2155.510. REBATES. (a) The comptroller [commission] 8 may collect a rebate from a vendor under a contract listed on a 9 schedule developed under this subchapter. 10 The comptroller shall notify a state agency purchasing a (b) 11 good or service through a contract listed on a schedule developed under this subchapter of the percentage used to calculate the 12 rebate authorized under Subsection (a) [If a purchase resulting in 13 14 a rebate under this-section is made in whole or in part with federal 15 funds, the commission shall ensure that, to the extent the purchase was made with federal funds, the appropriate portion of the rebate 16 17 is reported to the purchasing agency for reporting and 18 reconciliation purposes with the appropriate federal funding 19 agency]. 20 SECTION 2. Section 2171.055, Government Code, is amended by adding Subsections (k) and (l) to read as follows: 21 22 (k) An officer or employee of a local workforce development 23 board who is engaged in official board business may participate in the comptroller's contract for travel services. The comptroller 24

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may charge a participating board a fee not to exceed the costs 1 2 incurred by the comptroller in providing services under this subsection. The comptroller shall periodically review the fees and 3 4 adjust the fees as necessary to ensure recovery of costs incurred in 5 providing services to a local workforce development board under this subsection. In this subsection, "local workforce development 6 7 board" means a local workforce development board created under 8 Chapter 2308. 9 (1) An officer or employee of a governmental entity who is 10 engaged in official business of the governmental entity may 11 participate in the comptroller's contract for travel services. The comptroller may charge a participating governmental entity a fee 12 not to exceed the costs incurred by the comptroller in providing 13 services under this subsection. The comptroller shall periodically 14 review the fees and adjust the fees as necessary to ensure recovery 15 of costs incurred in providing services to governmental entities 16 under this subsection. This subsection applies only to a 17 governmental entity that is a party to a compact, interagency 18 19 agreement, or cooperative purchasing agreement under Section 20 2156.181.

21 SECTION 3. Section 2252.002, Government Code, as amended by 22 Chapters 1127 (H.B. 1050) and 1404 (H.B. 3648), Acts of the 83rd 23 Legislature, Regular Session, 2013, is reenacted to read as 24 follows:

25 Sec. 2252.002. AWARD OF CONTRACT TO NONRESIDENT BIDDER. A 26 governmental entity may not award a governmental contract to a 27 nonresident bidder unless the nonresident underbids the lowest bid

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submitted by a responsible resident bidder by an amount that is not
 less than the greater of the following:

3 (1) the amount by which a resident bidder would be 4 required to underbid the nonresident bidder to obtain a comparable 5 contract in the state in which the nonresident's principal place of 6 business is located; or

7 (2) the amount by which a resident bidder would be 8 required to underbid the nonresident bidder to obtain a comparable 9 contract in the state in which a majority of the manufacturing 10 relating to the contract will be performed.

SECTION 4. Section 2262.004, Government Code, is amended by adding Subsection (e) to read as follows:

(e) This section does not apply to an attorney who:

14 (1) holds a license to practice law in this state; and
 15 (2) has not been disciplined by the State Bar of Texas
 16 for a violation of the Texas Disciplinary Rules of Professional
 17 Conduct.

18 SECTION 5. Section 44.0331(a), Education Code, is amended 19 to read as follows:

(a) A school district that enters into a purchasing contract
valued at \$25,000 or more under Section 44.031(a)(5), under
Subchapter F, Chapter 271, Local Government Code, or under any
other cooperative purchasing program authorized for school
districts by law shall document any contract-related fee, including
any management fee, paid by the district and the purpose of each fee
under the contract.

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SECTION 6. This Act takes effect September 1, 2019.

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he Senate side Pre

Denis Ban Speaker of the House

<u>I hereby dertify</u> that S.B. No. 1793 passed the Senate on April 29, 2019, by the following vote: Yeas 31, Nays 0; and that the Senate concurred in House amendment on May 21, 2019, by the following vote: Yeas 31, Nays 0._____

Senate Secretar

<u>I hereby certify</u> that S.B. No. 1793 passed the House, with amendment, on May 10, 2019, by the following vote: Yeas 120, Nays 12, one present not voting.

Čhief Clerk of the Hou

Approved:

<u>Date</u>

Governor

FILED IN THE OFFICE OF THE SECRETARY OF STATE 4:45 pm O'CLOCK IN 1 5 2019 Secretary of State

PROCLAMATION BY THE Governor of the State of Texas 41-3678

TO ALL TO WHOM THESE PRESENTS SHALL COME:

Pursuant to Article IV, Section 14, of the Texas Constitution, I, Greg Abbott, Governor of Texas, do hereby disapprove of and veto Senate Bill No. 1793 as passed by the Eighty-Sixth Texas Legislature, Regular Session, because of the following objections:

Senate Bill 1793 would have given government lawyers a pass on filling out a nepotism disclosure form prescribed by the State Auditor's Office. For procurement contracts worth at least \$1 million, this form compels agency employees to disclose relationships with, and direct or indirect pecuniary interests in, any party to the proposed contract with the state agency. Uncovering such ties to a potential vendor is important even if the procurement employee happens to be a member in good standing of the Texas Bar. Government lawyers should fill out the same nepotism disclosure form as everyone else at the agency.

Since the Eighty-Sixth Texas Legislature, Regular Session, by its adjournment has prevented the return of this bill, I am filing these objections in the office of the Secretary of State and giving notice thereof by this public proclamation according to the aforementioned constitutional provision.



IN TESTIMONY WHEREOF, I have signed my name officially and caused the Seal of the State to be affixed hereto at Austin, this 15th day of June, 2019.

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GREG ABBOTT Governor of Texas

ATTESTED BY: JOE ESPARZA

Deputy Secretary of State

FILED IN THE OFFICE OF THE SECRETARY OF STATE <u>4:45pm</u>O'CLOCK

JUN 1 5 2019