

1-1 By: Shaheen (Senate Sponsor - Paxton) H.B. No. 1524  
 1-2 (In the Senate - Received from the House May 6, 2019;  
 1-3 May 7, 2019, read first time and referred to Committee on Business  
 1-4 & Commerce; May 19, 2019, reported favorably by the following vote:  
 1-5 Yeas 7, Nays 0; May 19, 2019, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7 Hancock	X			
1-8 Nichols	X			
1-9 Campbell	X			
1-10 Creighton			X	
1-11 Menéndez	X			
1-12 Paxton	X			
1-13 Schwertner	X			
1-14 Whitmire			X	
1-15 Zaffirini	X			

1-17 A BILL TO BE ENTITLED  
 1-18 AN ACT

1-19 relating to correcting outdated references to the Texas Building  
 1-20 and Procurement Commission.

1-21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-22 SECTION 1. Section 411.064, Government Code, is amended to  
 1-23 read as follows:

1-24 Sec. 411.064. ASSISTANCE OF TEXAS DEPARTMENT OF  
 1-25 TRANSPORTATION OR TEXAS FACILITIES [~~GENERAL SERVICES~~] COMMISSION.

1-26 (a) On request of the department, the Texas Department of  
 1-27 Transportation and the Texas Facilities [~~General Services~~]  
 1-28 Commission shall:

1-29 (1) assist the department in the marking and  
 1-30 designation of parking lots, parking garages, and parking spaces;

1-31 (2) maintain the painting of lines and curb markings;  
 1-32 and

1-33 (3) furnish and erect direction and information signs.

1-34 (b) The department may recover the cost of providing the  
 1-35 services described in Subsection (a) from the agency or agencies  
 1-36 for which the service was provided. To the extent that either the  
 1-37 Texas Facilities [~~General Services~~] Commission or the Texas  
 1-38 Department of Transportation provides or assists in providing the  
 1-39 services described in Subsection (a), that agency shall be  
 1-40 reimbursed by the department from its funds or the funds received  
 1-41 from another agency under this subsection.

1-42 SECTION 2. Section 411.0645(a), Government Code, is amended  
 1-43 to read as follows:

1-44 (a) The department, the City of Austin, the Capital  
 1-45 Metropolitan Transportation Authority, the Texas Facilities  
 1-46 [~~General Services~~] Commission, the State Preservation Board, and  
 1-47 The University of Texas at Austin shall each designate a  
 1-48 representative to a committee established for the purpose of  
 1-49 coordinating transportation in and adjacent to the Capitol Complex.  
 1-50 The representative of the department shall convene the initial  
 1-51 meeting of the committee, and the committee shall elect officers  
 1-52 and meet as decided by the committee.

1-53 SECTION 3. Sections 469.106(b) and (d), Government Code,  
 1-54 are amended to read as follows:

1-55 (b) The department and the Texas Facilities [~~Building and~~  
 1-56 ~~Procurement~~] Commission shall ensure compliance with the standards  
 1-57 and specifications described by Subsection (a) for a building or  
 1-58 facility described by Subsection (a) and leased for an annual  
 1-59 amount of more than \$12,000 or built by or for the state.

1-60 (d) If an inspection under Subsection (c) determines that a  
 1-61 building or facility does not comply with all applicable standards

2-1 and specifications, the leasing agency or the Texas Facilities  
2-2 [~~Building and Procurement~~] Commission, as applicable, shall cancel  
2-3 the lease unless the lessor brings the building or facility into  
2-4 compliance not later than:

2-5 (1) the 60th day after the date the person performing  
2-6 the inspection delivers the results of the inspection to the lessor  
2-7 or the lessor's agent; or

2-8 (2) a later date established by the commission if  
2-9 circumstances justify a later date.

2-10 SECTION 4. Section 1232.003(4), Government Code, is amended  
2-11 to read as follows:

2-12 (4) "Commission" means the Texas Facilities [~~Building~~  
2-13 ~~and Procurement~~] Commission.

2-14 SECTION 5. Section 2101.0115(c), Government Code, is  
2-15 amended to read as follows:

2-16 (c) A state agency's annual report must include:

2-17 (1) the name and job title of each bonded agency  
2-18 employee, the amount of the bond, and the name of the surety company  
2-19 that issued the bond;

2-20 (2) an analysis of space occupied by the agency,  
2-21 including:

2-22 (A) the total amount of space rented by the  
2-23 agency, expressed in square feet;

2-24 (B) the total amount of space occupied by the  
2-25 agency in state-owned buildings, expressed in square feet;

2-26 (C) the name and address of each building in  
2-27 which the agency occupies space and the amount of square feet in  
2-28 each building devoted to each particular use;

2-29 (D) the cost per square foot of all rented space;

2-30 (E) the annual and monthly cost of all rented  
2-31 space;

2-32 (F) the name of each lessor of space rented by the  
2-33 agency;

2-34 (G) a description of the agency's progress toward  
2-35 achieving the objective provided by Section 2165.104, if the agency  
2-36 is subject to that section; and

2-37 (H) any other information helpful to describe the  
2-38 agency's use of space;

2-39 (3) an itemization of all fees paid by the agency for  
2-40 professional or consulting services provided under Subchapter A or  
2-41 B, Chapter 2254, including the name of each person receiving those  
2-42 fees and the reason for the provision of the services;

2-43 (4) an itemization of all fees paid by the agency for  
2-44 legal services, other than legal services provided by an agency  
2-45 employee or the attorney general, including the name of each person  
2-46 receiving those fees and the reason for the provision of the  
2-47 services;

2-48 (5) a copy of the form prepared by the agency under  
2-49 Section 2205.041, relating to the agency's use and cost of  
2-50 operating aircraft that are state-owned or under rental or  
2-51 long-term lease;

2-52 (6) an itemization of any purchases made under Section  
2-53 2155.067, including each product purchased, the amount of the  
2-54 purchase, and the name of the vendor;

2-55 (7) for each fiscal year ending in an even-numbered  
2-56 calendar year:

2-57 (A) a copy of the master file report verification  
2-58 form certified by the General Land Office, if applicable to the  
2-59 agency, to confirm that the agency is in compliance with Subchapter  
2-60 E, Chapter 31, Natural Resources Code; or

2-61 (B) if the agency's inventory record is  
2-62 inaccurate or incomplete, a statement that the agency will submit  
2-63 the appropriate forms to the General Land Office not later than the  
2-64 15th day after the date the agency submits its annual report;

2-65 (8) a copy of the report prepared by the agency under  
2-66 Section 2161.124, relating to the agency's use of historically  
2-67 underutilized businesses;

2-68 (9) a report of each transfer of appropriated money  
2-69 between appropriation items that shows the sum of all transfers

3-1 affecting each item;

3-2 (10) an itemization of each passenger vehicle the

3-3 agency purchased, including the make, model, purchase price,

3-4 assigned type of use, and fuel efficiency as expressed by the

3-5 manufacturer's fuel efficiency rating;

3-6 (11) a schedule, applicable to state agencies

3-7 determined by the Legislative Budget Board, detailing total

3-8 expenditures by or on behalf of the agency for:

3-9 (A) employee benefits, including social

3-10 security, health insurance, retirement contributions, benefit

3-11 replacement pay, and workers' and unemployment compensation

3-12 payments;

3-13 (B) bond debt service; and

3-14 (C) payments for general governmental services

3-15 as defined by the comptroller, including services of the

3-16 comptroller, the attorney general, the Texas Facilities [~~General~~

3-17 ~~Services~~] Commission, the Department of Information Resources, and

3-18 the state auditor;

3-19 (12) for an institution of higher education, the total

3-20 amount of lump-sum vacation and compensatory leave payments made to

3-21 employees who separated from state service during the fiscal year;

3-22 (13) the name and job title of each state officer or

3-23 employee authorized to use a state-owned or state-leased vehicle

3-24 and the reasons for the authorization, in accordance with Section

3-25 2113.013; and

3-26 (14) a report of expenditures made for each commodity

3-27 or service identified under Section 2155.448, including:

3-28 (A) the total amount spent on those commodities

3-29 and services;

3-30 (B) the total amount spent for commodities and

3-31 services purchased that accomplish the same purpose; and

3-32 (C) the total amount spent for all other

3-33 recycled, remanufactured, or environmentally sensitive commodities

3-34 or services, itemized by type of commodity or service.

3-35 SECTION 6. Section 2152.0011(b), Government Code, is

3-36 amended to read as follows:

3-37 (b) In this chapter, "commission" [~~or "Texas Building and~~

3-38 ~~Procurement Commission"~~] means the Texas Facilities Commission.

3-39 SECTION 7. Sections 2155.0011 and 2155.002, Government

3-40 Code, are amended to read as follows:

3-41 Sec. 2155.0011. COMPTROLLER POWERS AND [~~TRANSFER OF~~

3-42 ~~DUTIES~~ [, REFERENCE]. [~~(a)~~] The comptroller has under this chapter

3-43 the powers and duties described by Section 2151.004(d) [of the

3-44 ~~commission under this chapter are transferred to the comptroller].~~

3-45 [~~(b) In this chapter, a reference to the commission means~~

3-46 ~~the comptroller.~~]

3-47 Sec. 2155.002. [~~COMMISSION~~] FOCUS ON LARGE EXPENDITURES.

3-48 To the extent possible, the comptroller [~~commission~~] shall focus

3-49 its efforts under this chapter and Chapters 2156, 2157, and 2158 on

3-50 purchases and contracts that involve relatively large amounts of

3-51 money.

3-52 SECTION 8. Section 2155.061, Government Code, is amended to

3-53 read as follows:

3-54 Sec. 2155.061. COMPTROLLER [~~COMMISSION~~] PURCHASING SYSTEM.

3-55 (a) The comptroller [~~commission~~] shall acquire by purchase, lease,

3-56 rental, or another manner all goods and services for a state agency,

3-57 including a purchase that does not require a competitive bid or a

3-58 spot purchase.

3-59 (b) The comptroller [~~commission~~] shall operate an effective

3-60 and economical system for purchasing goods and services.

3-61 SECTION 9. Section 2155.062(a), Government Code, is amended

3-62 to read as follows:

3-63 (a) In purchasing goods and services the comptroller

3-64 [~~commission~~] may use, but is not limited to, the:

3-65 (1) contract purchase procedure;

3-66 (2) multiple award contract procedure, including

3-67 under any schedules developed under Subchapter I;

3-68 (3) open market purchase procedure; or

3-69 (4) reverse auction procedure.

4-1 SECTION 10. Section 2155.064, Government Code, is amended  
 4-2 to read as follows:

4-3 Sec. 2155.064. SCHEDULE AND BULK PURCHASING. The  
 4-4 comptroller [~~commission~~] may combine orders in a system of schedule  
 4-5 purchasing and shall attempt to benefit from bulk purchasing.

4-6 SECTION 11. Sections 2155.065(a) and (c), Government Code,  
 4-7 are amended to read as follows:

4-8 (a) The comptroller [~~commission~~] is authorized to make  
 4-9 contracts with the Texas Department of Criminal Justice for the  
 4-10 purchase of goods and services for use by another state agency.

4-11 (c) The comptroller [~~commission~~] shall make awards under  
 4-12 this section based on proposed goods and services meeting formal  
 4-13 state specifications developed by the comptroller [~~commission~~] or  
 4-14 meeting commercial specifications approved by the comptroller  
 4-15 [~~commission~~].

4-16 SECTION 12. Section 2155.066, Government Code, is amended  
 4-17 to read as follows:

4-18 Sec. 2155.066. REVIEW OF SPECIFICATIONS. The comptroller  
 4-19 [~~commission~~] shall review the specifications and purchase  
 4-20 conditions of goods or services considered for purchase.

4-21 SECTION 13. Sections 2155.067(a), (c), (d), and (f),  
 4-22 Government Code, are amended to read as follows:

4-23 (a) If, after review under Section 2155.066, the  
 4-24 comptroller [~~commission~~] finds that specifications and conditions  
 4-25 of a purchase request describe a product that is proprietary to one  
 4-26 vendor and do not permit an equivalent product to be supplied, the  
 4-27 comptroller [~~commission~~] shall require the requesting state agency  
 4-28 to justify in writing the specifications or conditions.

4-29 (c) The written justification must:

4-30 (1) explain the need for the specifications;  
 4-31 (2) state the reason competing products are not  
 4-32 satisfactory; and

4-33 (3) provide other information requested by the  
 4-34 comptroller [~~commission~~].

4-35 (d) If the comptroller [~~commission~~] requires a resubmission  
 4-36 with written justification, the comptroller [~~commission~~] shall  
 4-37 notify the requesting state agency of the requirement not later  
 4-38 than the 10th day after the date of receiving the purchase request.

4-39 (f) The comptroller [~~commission~~] shall issue an invitation  
 4-40 to bid to vendors not later than the 20th day after the date of  
 4-41 receiving the required written justification.

4-42 SECTION 14. Sections 2155.068, 2155.069, 2155.070,  
 4-43 2155.072, 2155.073, 2155.074, and 2155.075, Government Code, are  
 4-44 amended to read as follows:

4-45 Sec. 2155.068. UNIFORM STANDARDS AND SPECIFICATIONS. (a)  
 4-46 The comptroller [~~commission~~] may coordinate uniform standards and  
 4-47 specifications for goods purchased by the comptroller  
 4-48 [~~commission~~]. The comptroller [~~commission~~] by rule may adopt  
 4-49 appropriate standards developed by a nationally recognized  
 4-50 standards-making association as part of its specifications and  
 4-51 standards program.

4-52 (b) The comptroller [~~commission~~] shall enlist the  
 4-53 cooperation of other state agencies in the establishment,  
 4-54 maintenance, and revision of uniform standards and specifications.

4-55 (c) The comptroller [~~commission~~] shall review contracts  
 4-56 administered by the comptroller [~~commission~~] to ensure that all  
 4-57 goods and services meet contract specifications.

4-58 (d) As part of the standards and specifications program, the  
 4-59 comptroller [~~commission~~] shall:

4-60 (1) review contracts for opportunities to recycle  
 4-61 waste produced at state buildings;

4-62 (2) develop and update a list of equipment and  
 4-63 appliances that meet the energy efficiency standards provided by  
 4-64 Section 2158.301; and

4-65 (3) assist state agencies in selecting products under  
 4-66 Section 2158.301, as appropriate.

4-67 Sec. 2155.069. TESTING AND INSPECTION. (a) The  
 4-68 comptroller [~~commission~~] may test and inspect goods and services  
 4-69 purchased under a contract administered by the comptroller

5-1 [~~commission~~] to ensure compliance with specifications.

5-2 (b) The comptroller [~~commission~~] may contract for testing  
5-3 under this section.

5-4 (c) The comptroller [~~commission~~] may, on request, test and  
5-5 inspect goods and services purchased by other state governmental  
5-6 entities on a cost recovery basis.

5-7 (d) The comptroller [~~commission~~] may also test and inspect  
5-8 goods and services before they are purchased. Other state agencies  
5-9 may test and inspect goods and services before purchase under  
5-10 standard industry testing methods, or they may contract for  
5-11 testing. The comptroller [~~commission~~] may inform agencies about  
5-12 available private testing facilities.

5-13 Sec. 2155.070. FAILURE TO MEET SPECIFICATIONS. (a) A state  
5-14 agency that determines that goods or services received under a  
5-15 contract administered by the comptroller [~~commission~~] do not meet  
5-16 specifications shall promptly notify the comptroller [~~commission~~]  
5-17 in writing of the reasons for the determination. The comptroller  
5-18 [~~commission~~] shall immediately make its own determination of  
5-19 whether the goods and services meet specifications.

5-20 (b) The comptroller [~~commission~~] or a state agency,  
5-21 including an institution of higher education, has the authority to  
5-22 determine that goods and services exempted from the comptroller's  
5-23 [~~commission's~~] purchasing authority meet or fail to meet  
5-24 specifications.

5-25 (c) On determining that contract specifications or  
5-26 conditions have not been met, the comptroller [~~commission~~] shall  
5-27 act against the defaulting contractor, with the assistance of the  
5-28 attorney general as necessary.

5-29 (d) If the comptroller [~~commission~~] receives repeated  
5-30 complaints against a vendor, the comptroller [~~commission~~] shall  
5-31 remove the vendor's name and the vendor's goods and services from  
5-32 the comptroller's [~~commission's~~] bidders list for not longer than  
5-33 one year. If complaints resume after the vendor is reinstated on  
5-34 the bidders list, the comptroller [~~commission~~] may bar the vendor  
5-35 from participating in state contracts for a period under Section  
5-36 2155.077.

5-37 Sec. 2155.072. STATEWIDE OR REGIONAL SERVICES CONTRACTS;  
5-38 [~~COMMISSION~~] STUDIES. (a) The comptroller [~~commission~~] annually  
5-39 shall select for study at least one service that is purchased by one  
5-40 or more state agencies. The comptroller [~~commission~~] shall study a  
5-41 selected service to determine whether the state would benefit if  
5-42 the service were provided to appropriate state agencies under a  
5-43 regional or statewide contract. The comptroller [~~commission~~] shall  
5-44 give priority to studying services for which the comptroller  
5-45 [~~commission~~] has delegated the purchasing function to many state  
5-46 agencies.

5-47 (b) The comptroller [~~commission~~] is not required to enter  
5-48 into a statewide or regional contract for the provision of a service  
5-49 to state agencies if more than five bidders are willing to provide  
5-50 the service to the state under a statewide or regional contract.

5-51 Sec. 2155.073. PARTICIPATION BY SMALL BUSINESSES IN STATE  
5-52 PURCHASING. The comptroller [~~commission~~] shall foster  
5-53 participation of small businesses in the purchasing activities of  
5-54 the state by:

5-55 (1) assisting state agencies in developing procedures  
5-56 to ensure the inclusion of small businesses on state agency master  
5-57 bid lists;

5-58 (2) informing small businesses of state purchasing  
5-59 opportunities;

5-60 (3) assisting small businesses in complying with the  
5-61 procedures for bidding on state contracts;

5-62 (4) working with state and federal agencies and with  
5-63 private organizations in disseminating information on state  
5-64 purchasing procedures and the opportunities for small businesses to  
5-65 participate in state contracts;

5-66 (5) assisting state agencies with the development of a  
5-67 comprehensive list of small businesses capable of providing goods  
5-68 or services to the state;

5-69 (6) making recommendations to state agencies to

6-1 simplify contract specifications and terms to increase the  
6-2 opportunities for small business participation;

6-3 (7) working with state agencies to establish a  
6-4 statewide policy for increasing the use of small businesses;

6-5 (8) assisting state agencies in seeking small  
6-6 businesses capable of supplying goods and services that the  
6-7 agencies require;

6-8 (9) assisting state agencies in identifying and  
6-9 advising small businesses on the types of goods and services needed  
6-10 by the agencies; and

6-11 (10) assisting state agencies in increasing the volume  
6-12 of business placed with small businesses.

6-13 Sec. 2155.074. BEST VALUE STANDARD FOR PURCHASE OF GOODS OR  
6-14 SERVICES. (a) For a purchase of goods and services under this  
6-15 chapter, each state agency, including the comptroller  
6-16 [~~commission~~], shall purchase goods and services that provide the  
6-17 best value for the state.

6-18 (b) In determining the best value for the state, the  
6-19 purchase price and whether the goods or services meet  
6-20 specifications are the most important considerations. However, the  
6-21 comptroller [~~commission~~] or other state agency may, subject to  
6-22 Subsection (c) and Section 2155.075, consider other relevant  
6-23 factors, including:

6-24 (1) installation costs;

6-25 (2) life cycle costs;

6-26 (3) the quality and reliability of the goods and  
6-27 services;

6-28 (4) the delivery terms;

6-29 (5) indicators of probable vendor performance under  
6-30 the contract such as past vendor performance, the vendor's  
6-31 financial resources and ability to perform, the vendor's experience  
6-32 or demonstrated capability and responsibility, and the vendor's  
6-33 ability to provide reliable maintenance agreements and support;

6-34 (6) the cost of any employee training associated with  
6-35 a purchase;

6-36 (7) the effect of a purchase on agency productivity;

6-37 (8) the vendor's anticipated economic impact to the  
6-38 state or a subdivision of the state, including potential tax  
6-39 revenue and employment; and

6-40 (9) other factors relevant to determining the best  
6-41 value for the state in the context of a particular purchase.

6-42 (c) A state agency shall consult with and receive approval  
6-43 from the comptroller [~~commission~~] before considering factors other  
6-44 than price and meeting specifications when the agency procures  
6-45 through competitive bidding goods or services with a value that  
6-46 exceeds \$100,000.

6-47 Sec. 2155.075. REQUIREMENT TO SPECIFY VALUE FACTORS IN  
6-48 REQUEST FOR BIDS OR PROPOSALS. (a) For a purchase made through  
6-49 competitive bidding, the comptroller [~~commission~~] or other state  
6-50 agency making the purchase must specify in the request for bids the  
6-51 factors other than price that the comptroller [~~commission~~] or  
6-52 agency will consider in determining which bid offers the best value  
6-53 for the state.

6-54 (b) For a purchase made through competitive sealed  
6-55 proposals, the comptroller [~~commission~~] or other state agency  
6-56 making the purchase:

6-57 (1) must specify in the request for proposals the  
6-58 known factors other than price that the comptroller [~~commission~~] or  
6-59 agency will consider in determining which proposal offers the best  
6-60 value for the state; and

6-61 (2) may concurrently inform each vendor that made a  
6-62 proposal on the contract of any additional factors the comptroller  
6-63 [~~commission~~] or agency will consider in determining which proposal  
6-64 offers the best value for the state if the comptroller [~~commission~~]  
6-65 or other agency determines after opening the proposals that  
6-66 additional factors not covered under Subdivision (1) are relevant  
6-67 in determining which proposal offers the best value for the state.

6-68 SECTION 15. Section 2155.076(a), Government Code, is  
6-69 amended to read as follows:

7-1 (a) The comptroller [~~commission~~] and each state agency by  
7-2 rule shall develop and adopt protest procedures for resolving  
7-3 vendor protests relating to purchasing issues. An agency's rules  
7-4 must be consistent with the comptroller's [~~commission's~~] rules.  
7-5 The rules must include standards for maintaining documentation  
7-6 about the purchasing process to be used in the event of a protest.

7-7 SECTION 16. Sections 2155.077(a), (a-1), (b), (c), and (d),  
7-8 Government Code, are amended to read as follows:

7-9 (a) The comptroller [~~commission~~] may bar a vendor from  
7-10 participating in state contracts that are subject to this subtitle,  
7-11 including contracts for which purchasing authority is delegated to  
7-12 a state agency, for:

7-13 (1) substandard performance under a contract with the  
7-14 state or a state agency;

7-15 (2) material misrepresentations in a bid or proposal  
7-16 to the state or a state agency or during the course of performing a  
7-17 contract with the state or a state agency;

7-18 (3) fraud;

7-19 (4) breaching a contract with the state or a state  
7-20 agency; or

7-21 (5) repeated unfavorable performance reviews under  
7-22 Section 2155.089 or repeated unfavorable classifications received  
7-23 by the vendor under Section 2262.055 after considering the  
7-24 following factors:

7-25 (A) the severity of the substandard performance  
7-26 by the vendor;

7-27 (B) the impact to the state of the substandard  
7-28 performance;

7-29 (C) any recommendations by a contracting state  
7-30 agency that provides an unfavorable performance review;

7-31 (D) whether debarment of the vendor is in the  
7-32 best interest of the state; and

7-33 (E) any other factor that the comptroller  
7-34 considers relevant, as specified by comptroller rule.

7-35 (a-1) The comptroller [~~commission~~] shall bar a vendor from  
7-36 participating in state contracts that are subject to this subtitle,  
7-37 including contracts for which purchasing authority is delegated to  
7-38 a state agency, if the vendor has been:

7-39 (1) convicted of violating a federal law in connection  
7-40 with a contract awarded by the federal government for relief,  
7-41 recovery, or reconstruction efforts as a result of Hurricane Rita,  
7-42 as defined by Section 39.459, Utilities Code, Hurricane Katrina, or  
7-43 any other disaster occurring after September 24, 2005; or

7-44 (2) assessed a penalty in a federal civil or  
7-45 administrative enforcement action in connection with a contract  
7-46 awarded by the federal government for relief, recovery, or  
7-47 reconstruction efforts as a result of Hurricane Rita, as defined by  
7-48 Section 39.459, Utilities Code, Hurricane Katrina, or any other  
7-49 disaster occurring after September 24, 2005.

7-50 (b) Except as provided by Subsection (d), the comptroller  
7-51 [~~commission~~] shall bar a vendor from participating in state  
7-52 contracts under Subsection (a) or (a-2) for a period that is  
7-53 commensurate with the seriousness of the vendor's action and the  
7-54 damage to the state's interests.

7-55 (c) The comptroller [~~commission~~] by rule shall:

7-56 (1) state generally the reasons for which a vendor may  
7-57 be barred from participating in state contracts and the periods for  
7-58 which the vendor may be barred; and

7-59 (2) prescribe the procedures under which the  
7-60 comptroller [~~commission~~] will determine whether and for how long a  
7-61 vendor will be barred.

7-62 (d) The comptroller [~~commission~~] shall bar a vendor from  
7-63 participating in state contracts under Subsection (a-1) for a  
7-64 period of five years from the date the vendor was convicted or the  
7-65 penalty was assessed.

7-66 SECTION 17. Section 2155.079, Government Code, is amended  
7-67 to read as follows:

7-68 Sec. 2155.079. BUYING UNDER CONTRACT ESTABLISHED BY AGENCY  
7-69 OTHER THAN COMPTROLLER [~~COMMISSION~~]. (a) The comptroller

8-1 [~~commission~~] shall adopt rules specifying the circumstances under  
 8-2 which it is advantageous for the state to allow a state agency to  
 8-3 purchase goods or services under a contract made by another state  
 8-4 agency other than the comptroller [~~commission~~], including as  
 8-5 provided under Subchapter I.

8-6 (b) If comptroller [~~commission~~] rules allow other agencies  
 8-7 to make purchases under a contract entered into by an agency using  
 8-8 delegated purchasing authority, the agency purchasing under  
 8-9 delegated authority may offer the goods or services available under  
 8-10 the contract to other agencies only if the agency first:

8-11 (1) establishes that the goods or services being  
 8-12 offered under its contract are not available under a contract  
 8-13 administered by the comptroller [~~commission~~]; and

8-14 (2) informs the comptroller [~~commission~~] of the terms  
 8-15 of the contract and the capabilities of the vendor.

8-16 SECTION 18. Sections 2155.080(a), (b), and (d), Government  
 8-17 Code, are amended to read as follows:

8-18 (a) The comptroller [~~commission~~] may establish an advisory  
 8-19 committee on procurement. The purpose of the committee is to  
 8-20 represent before the comptroller [~~commission~~] the state agency  
 8-21 purchasing community and the political subdivisions that use the  
 8-22 comptroller's [~~commission's~~] purchasing services.

8-23 (b) The committee is composed of officers or employees from  
 8-24 the comptroller [~~commission~~], from state agencies, including  
 8-25 institutions of higher education, and from political subdivisions  
 8-26 who are invited by the comptroller [~~commission~~] to serve on the  
 8-27 committee. The comptroller [~~commission~~] shall invite officers and  
 8-28 employees who are experienced in public purchasing, in public  
 8-29 finance, or who possess other appropriate expertise to serve on the  
 8-30 committee. Service on the committee is an additional duty of the  
 8-31 member's public office or employment. Chapter 2110 [~~Article~~  
 8-32 ~~6252-33, Revised Statutes,~~] does not apply to the size or  
 8-33 composition of the committee. The comptroller [~~commission~~] shall  
 8-34 set staggered terms for the members of the committee.

8-35 (d) The committee shall recommend improvements in  
 8-36 comptroller [~~commission~~] or state agency purchasing practices to  
 8-37 the comptroller [~~commission~~]. The committee shall review and  
 8-38 comment on findings and recommendations related to purchasing that  
 8-39 are made by state agency internal auditors or by the state auditor.

8-40 SECTION 19. Sections 2155.081(a) and (b), Government Code,  
 8-41 are amended to read as follows:

8-42 (a) The comptroller [~~commission~~] may establish a vendor  
 8-43 advisory committee. The purpose of the committee is to represent  
 8-44 before the comptroller [~~commission~~] the vendor community, to  
 8-45 provide information to vendors, and to obtain vendor input on state  
 8-46 procurement practices.

8-47 (b) The committee is composed of employees from the  
 8-48 comptroller [~~commission~~] and vendors who have done business with  
 8-49 the state who are invited by the comptroller [~~commission~~] to serve  
 8-50 on the committee. The comptroller [~~commission~~] shall invite a  
 8-51 cross-section of the vendor community to serve on the committee,  
 8-52 inviting both large and small businesses and vendors who provide a  
 8-53 variety of different goods and services to the state. Chapter 2110  
 8-54 [~~Article 6252-33, Revised Statutes,~~] does not apply to the size or  
 8-55 composition of the committee. The comptroller [~~commission~~] shall  
 8-56 set staggered terms for the members of the committee.

8-57 SECTION 20. Sections 2155.083(a), (c), (d), (f), and (k),  
 8-58 Government Code, are amended to read as follows:

8-59 (a) Except as provided by Subsection (n), this section  
 8-60 applies to each state agency making a procurement that will exceed  
 8-61 \$25,000 in value, without regard to the source of funds the agency  
 8-62 will use for the procurement, including a procurement that:

8-63 (1) is otherwise exempt from the comptroller's  
 8-64 [~~commission's~~] purchasing authority or the application of this  
 8-65 subtitle;

8-66 (2) is made under delegated purchasing authority;

8-67 (3) is related to a construction project; or

8-68 (4) is a procurement of professional or consulting  
 8-69 services.

9-1 (c) The comptroller [~~commission~~] each business day shall  
9-2 produce and post a business daily in an electronic format. The  
9-3 comptroller [~~commission~~] shall post in the business daily  
9-4 information as prescribed by this section about each state agency  
9-5 procurement that will exceed \$25,000 in value. The comptroller  
9-6 [~~commission~~] shall also post in the business daily other  
9-7 information relating to the business activity of the state that the  
9-8 comptroller [~~commission~~] considers to be of interest to the public.

9-9 (d) The comptroller [~~commission~~] shall make the business  
9-10 daily available on the Internet. Each state agency shall cooperate  
9-11 with the comptroller [~~commission~~] in making the electronic business  
9-12 daily available.

9-13 (f) The comptroller [~~commission~~] and other state agencies  
9-14 may not charge a fee designed to recover the cost of preparing and  
9-15 gathering the information that is published in the business daily.  
9-16 These costs are considered part of a procuring agency's  
9-17 responsibility to publicly inform potential bidders or offerors of  
9-18 its procurement opportunities.

9-19 (k) Each state agency that will award a procurement contract  
9-20 estimated to exceed \$25,000 in value shall send to the comptroller  
9-21 [~~commission~~]:

9-22 (1) the information the comptroller [~~commission~~]  
9-23 requires for posting in the state business daily under this  
9-24 section; and

9-25 (2) a notice when the procurement contract has been  
9-26 awarded or when the state agency has decided to not make the  
9-27 procurement.

9-28 SECTION 21. Sections 2155.084(a) and (c), Government Code,  
9-29 are amended to read as follows:

9-30 (a) The comptroller [~~commission~~] or the governing body of an  
9-31 institution of higher education may negotiate purchases of goods of  
9-32 any kind needed by a state agency or the institution of higher  
9-33 education with the appropriate agency of the federal government.  
9-34 The governing body of an institution of higher education may act  
9-35 under this section either directly or through the comptroller  
9-36 [~~commission~~] or another state agency.

9-37 (c) In negotiating purchases of goods from the federal  
9-38 government under this section or under Subchapter G, Chapter 2175,  
9-39 the comptroller [~~commission~~] or the governing body of the  
9-40 institution of higher education may waive the requirement of a  
9-41 bidder's bond and performance bond that otherwise would be  
9-42 required.

9-43 SECTION 22. Section 2155.085, Government Code, is amended  
9-44 to read as follows:

9-45 Sec. 2155.085. REVERSE AUCTION PROCEDURE. (a) The  
9-46 comptroller [~~commission~~] shall:

9-47 (1) purchase goods or services using the reverse  
9-48 auction procedure whenever:

9-49 (A) the procedure provides the best value to the  
9-50 state; or

9-51 (B) all purchasing methods provide equal value to  
9-52 the state;

9-53 (2) offer historically underutilized businesses  
9-54 assistance and training relating to the reverse auction procedure;  
9-55 and

9-56 (3) advise historically underutilized businesses on  
9-57 contracts available using the reverse auction procedure.

9-58 (b) The comptroller [~~commission~~] shall set a goal of  
9-59 purchasing at least 20 percent of the dollar value of goods or  
9-60 services purchased by the comptroller [~~commission~~] using the  
9-61 reverse auction procedure.

9-62 SECTION 23. The heading to Subchapter C, Chapter 2155,  
9-63 Government Code, is amended to read as follows:

9-64 SUBCHAPTER C. DELEGATIONS OF AND EXCLUSIONS FROM COMPTROLLER'S  
9-65 [~~COMMISSION'S~~] PURCHASING AUTHORITY AND CERTAIN EXEMPTIONS FROM  
9-66 COMPETITIVE BIDDING

9-67 SECTION 24. Section 2155.131, Government Code, is amended  
9-68 to read as follows:

9-69 Sec. 2155.131. DELEGATION OF AUTHORITY TO STATE AGENCIES.

10-1 The comptroller [~~commission~~] may delegate purchasing functions to a  
10-2 state agency.

10-3 SECTION 25. Sections 2155.132(a), (b), (c), (d), (f), and  
10-4 (g), Government Code, are amended to read as follows:

10-5 (a) A state agency is delegated the authority to purchase  
10-6 goods and services if the purchase does not exceed \$15,000. If the  
10-7 comptroller [~~commission~~] determines that a state agency has not  
10-8 followed the comptroller's [~~commission's~~] rules or the laws related  
10-9 to the delegated purchases, the comptroller [~~commission~~] shall  
10-10 report its determination to the members of the state agency's  
10-11 governing body and to the governor, lieutenant governor, speaker of  
10-12 the house of representatives, and Legislative Budget Board.

10-13 (b) The comptroller [~~commission~~] by rule may delegate to a  
10-14 state agency the authority to purchase goods and services if the  
10-15 purchase exceeds \$15,000. In delegating purchasing authority under  
10-16 this subsection or Section 2155.131, the comptroller [~~commission~~]  
10-17 shall consider factors relevant to a state agency's ability to  
10-18 perform purchasing functions, including:

10-19 (1) the capabilities of the agency's purchasing staff  
10-20 and the existence of automated purchasing tools at the agency;

10-21 (2) the certification levels held by the agency's  
10-22 purchasing personnel;

10-23 (3) the results of the comptroller's [~~commission's~~]  
10-24 procurement review audits of an agency's purchasing practices; and

10-25 (4) whether the agency has adopted and published  
10-26 protest procedures consistent with those of the comptroller  
10-27 [~~commission~~] as part of its purchasing rules.

10-28 (c) The comptroller [~~commission~~] shall monitor the  
10-29 purchasing practices of state agencies that are making delegated  
10-30 purchases under Subsection (b) or Section 2155.131 to ensure that  
10-31 the certification levels of the agency's purchasing personnel and  
10-32 the quality of the agency's purchasing practices continue to  
10-33 warrant the amount of delegated authority provided by the  
10-34 comptroller [~~commission~~] to the agency. The comptroller  
10-35 [~~commission~~] may revoke for cause all or part of the purchasing  
10-36 authority that the comptroller [~~commission~~] delegated to a state  
10-37 agency. The comptroller [~~commission~~] shall adopt rules to  
10-38 administer this subsection.

10-39 (d) The comptroller [~~commission~~] by rule:

10-40 (1) shall prescribe procedures for a delegated  
10-41 purchase; and

10-42 (2) shall prescribe procedures by which agencies may  
10-43 use the comptroller's [~~commission's~~] services for delegated  
10-44 purchases, in accordance with Section 2155.082.

10-45 (f) Goods purchased under this section may not include:

10-46 (1) an item for which a contract has been awarded under  
10-47 the contract purchase procedure, unless the quantity purchased is  
10-48 less than the minimum quantity specified in the contract;

10-49 (2) an item required by statute to be purchased from a  
10-50 particular source; or

10-51 (3) a scheduled item that has been designated for  
10-52 purchase by the comptroller [~~commission~~].

10-53 (g) A large purchase may not be divided into small lot  
10-54 purchases to meet the dollar limits prescribed by this section. The  
10-55 comptroller [~~commission~~] may not require that unrelated purchases  
10-56 be combined into one purchase order to exceed the dollar limits  
10-57 prescribed by this section.

10-58 SECTION 26. Section 2155.136(b), Government Code, is  
10-59 amended to read as follows:

10-60 (b) To make a purchase under this section, the medical or  
10-61 dental unit must:

10-62 (1) follow the competitive sealed proposals  
10-63 procedures under Subchapter C, Chapter 2157, and comptroller  
10-64 [~~commission~~] rules on the use of competitive sealed proposals; and

10-65 (2) submit to the comptroller [~~commission~~] a written  
10-66 finding that competitive sealed bidding or informal competitive  
10-67 bidding is not practical or is disadvantageous to the state for the  
10-68 proposed acquisition.

10-69 SECTION 27. Section 2155.137(a), Government Code, is

11-1 amended to read as follows:

11-2 (a) The comptroller [~~commission~~] shall provide for  
11-3 emergency purchases by a state agency and may set a monetary limit  
11-4 on the amount of an emergency purchase.

11-5 SECTION 28. Section [2155.138](#)(c), Government Code, is  
11-6 amended to read as follows:

11-7 (c) The comptroller [~~commission~~] shall make awards under  
11-8 this section based on proposed goods and services meeting formal  
11-9 state specifications developed by the comptroller [~~commission~~] or  
11-10 meeting commercial specifications approved by the comptroller  
11-11 [~~commission~~].

11-12 SECTION 29. Sections [2155.140](#) and [2155.141](#), Government  
11-13 Code, are amended to read as follows:

11-14 Sec. 2155.140. PURCHASE FROM GIFT OR GRANT NOT WITHIN  
11-15 COMPTROLLER'S [~~COMMISSION'S~~] PURCHASING AUTHORITY. The  
11-16 comptroller's [~~commission's~~] authority does not apply to a purchase  
11-17 of goods or services from a gift or grant, including an industrial  
11-18 or federal grant or contract in support of research.

11-19 Sec. 2155.141. PURCHASES FOR AUXILIARY ENTERPRISE NOT  
11-20 WITHIN COMPTROLLER'S [~~COMMISSION'S~~] PURCHASING AUTHORITY. The  
11-21 comptroller's [~~commission's~~] authority does not extend to a  
11-22 purchase of goods and services for an auxiliary enterprise.

11-23 SECTION 30. Section [2155.144](#)(d), Government Code, is  
11-24 amended to read as follows:

11-25 (d) A state agency shall provide appropriate information to  
11-26 the comptroller [~~commission~~] concerning acquisitions made by the  
11-27 agency under this section, but the comptroller's [~~commission's~~]  
11-28 authority under this chapter and Chapters [2156](#), [2157](#), and [2158](#) does  
11-29 not extend to the acquisition of goods and services made under this  
11-30 section.

11-31 SECTION 31. Section [2155.145](#), Government Code, is amended  
11-32 to read as follows:

11-33 Sec. 2155.145. CERTAIN PURCHASES BY TEXAS [~~NATURAL RESOURCE~~  
11-34 ~~CONSERVATION~~] COMMISSION ON ENVIRONMENTAL QUALITY. The Texas  
11-35 [~~Natural Resource Conservation~~] Commission on Environmental  
11-36 Quality is delegated all purchasing functions relating to the  
11-37 administration of Subchapters F and I, Chapter [361](#), Health and  
11-38 Safety Code, subject to the rules adopted by the comptroller  
11-39 [~~commission~~] under Section [2155.132](#)(c).

11-40 SECTION 32. Section [2155.146](#)(c), Government Code, is  
11-41 amended to read as follows:

11-42 (c) The comptroller [~~commission~~] shall procure goods or  
11-43 services for the Employees Retirement System of Texas at the  
11-44 request of the retirement system, and the retirement system may use  
11-45 the services of the comptroller [~~commission~~] in procuring goods or  
11-46 services.

11-47 SECTION 33. Section [2155.147](#)(c), Government Code, is  
11-48 amended to read as follows:

11-49 (c) The comptroller [~~commission~~] shall procure goods and  
11-50 services for the General Land Office at the request of the land  
11-51 office, and the land office may use the services of the comptroller  
11-52 [~~commission~~] in procuring goods and services.

11-53 SECTION 34. Section [2155.148](#)(c), Government Code, is  
11-54 amended to read as follows:

11-55 (c) The comptroller [~~commission~~] shall procure goods or  
11-56 services for the Texas Emergency Services Retirement System at the  
11-57 request of the retirement system, and the retirement system may use  
11-58 the services of the comptroller [~~commission~~] in procuring goods or  
11-59 services.

11-60 SECTION 35. Section [2155.149](#)(c), Government Code, is  
11-61 amended to read as follows:

11-62 (c) At the request of the Veterans' Land Board, the  
11-63 comptroller [~~commission~~] shall procure goods and services  
11-64 described by Subsection (a) for the Veterans' Land Board. The  
11-65 Veterans' Land Board may use the services of the comptroller  
11-66 [~~commission~~] in procuring goods and services described by  
11-67 Subsection (a).

11-68 SECTION 36. Section [2155.150](#)(c), Government Code, is  
11-69 amended to read as follows:

12-1 (c) The comptroller [~~commission~~] shall procure goods and  
 12-2 services, under Subsection (a), for the Railroad Commission of  
 12-3 Texas at the request of the railroad commission, and the railroad  
 12-4 commission may use the services of the comptroller [~~commission~~] in  
 12-5 procuring goods and services.

12-6 SECTION 37. The heading to Subchapter D, Chapter 2155,  
 12-7 Government Code, is amended to read as follows:

12-8 SUBCHAPTER D. EXTENSION OF COMPTRROLLER [~~COMMISSION~~] PURCHASING  
 12-9 SERVICES TO OTHER ENTITIES

12-10 SECTION 38. Sections 2155.203 and 2155.204, Government  
 12-11 Code, are amended to read as follows:

12-12 Sec. 2155.203. PURCHASES BY LEGISLATURE AND LEGISLATIVE  
 12-13 AGENCIES. A house of the legislature, or an agency, council, or  
 12-14 committee of the legislature, including the Legislative Budget  
 12-15 Board, the Texas Legislative Council, the state auditor's office,  
 12-16 and the Legislative Reference Library, may use the comptroller's  
 12-17 [~~commission's~~] purchasing services for purchasing goods and  
 12-18 services, including items covered by Section 21, Article XVI, Texas  
 12-19 Constitution.

12-20 Sec. 2155.204. LOCAL GOVERNMENT PURCHASING PROGRAM. The  
 12-21 comptroller's [~~commission's~~] provision of purchasing services for  
 12-22 local governments is governed by Subchapter D, Chapter 271, Local  
 12-23 Government Code.

12-24 SECTION 39. Sections 2155.261, 2155.262, 2155.263,  
 12-25 2155.265, 2155.267, 2155.269, and 2155.270, Government Code, are  
 12-26 amended to read as follows:

12-27 Sec. 2155.261. APPLICABILITY. This subchapter:

12-28 (1) applies to a purchase or other acquisition under  
 12-29 this chapter or Chapters 2156, 2157, and 2158 for which competitive  
 12-30 bidding or competitive sealed proposals are required;

12-31 (2) applies to a state agency that makes a purchase or  
 12-32 other acquisition under this chapter or Chapters 2156, 2157, and  
 12-33 2158, including the comptroller [~~commission~~] and an agency that  
 12-34 makes an acquisition under Section 2155.131 [~~or 2155.133~~]; and

12-35 (3) does not apply to a purchase or other acquisition  
 12-36 made by the comptroller [~~commission~~] under Subchapter A, Chapter  
 12-37 2156.

12-38 Sec. 2155.262. UNIFORM REGISTRATION FORM. (a) The  
 12-39 comptroller [~~commission~~] shall develop a uniform registration form  
 12-40 for applying to do business with the comptroller [~~commission~~] or  
 12-41 with another state agency.

12-42 (b) The comptroller [~~commission~~] and each state agency  
 12-43 shall make the form available to an applicant.

12-44 (c) The form must include an application for:

12-45 (1) certification as a historically underutilized  
 12-46 business;

12-47 (2) a payee identification number for use by the  
 12-48 comptroller; and

12-49 (3) placement on the comptroller's [~~commission's~~]  
 12-50 master bidders list.

12-51 (d) A state agency shall submit to the comptroller  
 12-52 [~~commission~~] each uniform registration form that it receives.

12-53 Sec. 2155.263. [~~COMMISSION TO MAINTAIN~~] CENTRALIZED MASTER  
 12-54 BIDDERS LIST. (a) The comptroller [~~commission~~] shall maintain a  
 12-55 centralized master bidders list and register on the list the name  
 12-56 and address of each vendor that applies for registration under  
 12-57 rules adopted under this subchapter. The comptroller [~~commission~~]  
 12-58 may include other relevant vendor information on the list.

12-59 (b) The comptroller [~~commission~~] shall maintain the  
 12-60 centralized master bidders list in a manner that facilitates a  
 12-61 state agency's solicitation of vendors that serve the agency's  
 12-62 geographic area.

12-63 (c) The centralized master bidders list shall be used for  
 12-64 all available procurement processes authorized by this subtitle and  
 12-65 shall also be used to the fullest extent possible by state agencies  
 12-66 that make purchases exempt from the comptroller's [~~commission's~~]  
 12-67 purchasing authority.

12-68 Sec. 2155.265. ACCESS TO MASTER BIDDERS LIST. (a) The  
 12-69 comptroller [~~commission~~] shall make the master bidders list

13-1 available to each state agency that makes a purchase or other  
 13-2 acquisition to which this subchapter applies.  
 13-3 (b) The comptroller [~~commission~~] shall make the list  
 13-4 available either electronically or in another form, depending on  
 13-5 each state agency's needs.  
 13-6 Sec. 2155.267. [~~COMMISSION~~] RULES AND PROCEDURES REGARDING  
 13-7 MASTER BIDDERS LIST. (a) The comptroller [~~commission~~] shall adopt  
 13-8 procedures for:  
 13-9 (1) making and maintaining the master bidders list;  
 13-10 and  
 13-11 (2) removing an inactive vendor from the list.  
 13-12 (b) The comptroller [~~commission~~] shall establish by rule a  
 13-13 vendor classification process under which only a vendor able to  
 13-14 make a bid or proposal on a particular purchase or other acquisition  
 13-15 may be solicited under this subchapter.  
 13-16 Sec. 2155.269. WAIVER. The comptroller [~~commission~~] by  
 13-17 rule may establish a process under which the requirement for  
 13-18 soliciting bids or proposals from eligible vendors on a bidders  
 13-19 list may be waived for an appropriate state agency or an appropriate  
 13-20 purchase or other acquisition under circumstances in which the  
 13-21 requirement is not warranted.  
 13-22 Sec. 2155.270. AGENCY ASSISTANCE WITH BIDDERS LIST ISSUES.  
 13-23 The comptroller [~~commission~~] may assist a state agency with issues  
 13-24 relating to a bidders list.  
 13-25 SECTION 40. Section 2155.321(2), Government Code, is  
 13-26 amended to read as follows:  
 13-27 (2) "Purchase information" means information that the  
 13-28 comptroller [~~commission~~] determines is necessary to audit a  
 13-29 purchase under this subchapter.  
 13-30 SECTION 41. Section 2155.322(c), Government Code, is  
 13-31 amended to read as follows:  
 13-32 (c) The comptroller [~~commission~~] by rule may require that  
 13-33 purchase information be sent directly to the comptroller  
 13-34 [~~commission~~] in circumstances under which the comptroller  
 13-35 [~~commission~~] considers it necessary.  
 13-36 SECTION 42. The heading to Section 2155.323, Government  
 13-37 Code, is amended to read as follows:  
 13-38 Sec. 2155.323. [~~COMPTROLLER~~] AUDIT OF FINANCIAL  
 13-39 INFORMATION[, ~~TRANSMISSION OF PURCHASE INFORMATION TO COMMISSION~~].  
 13-40 SECTION 43. Section 2155.384, Government Code, is amended  
 13-41 to read as follows:  
 13-42 Sec. 2155.384. AUTHORITY TO PAY CHARGES. The comptroller  
 13-43 [~~commission~~], a state agency, or an entity authorized under Chapter  
 13-44 271, Local Government Code, or Section 2155.202 to purchase from a  
 13-45 contract entered into under the authority of the comptroller  
 13-46 [~~commission~~] may pay a restocking charge, cancellation fee, or  
 13-47 other similar charge if the comptroller [~~commission~~], state agency,  
 13-48 or other entity determines that the charge is justifiable.  
 13-49 SECTION 44. Section 2155.385(a), Government Code, is  
 13-50 amended to read as follows:  
 13-51 (a) If authorized by rule adopted by the comptroller under  
 13-52 Section 403.023, the comptroller [~~commission~~] may contract with one  
 13-53 or more credit card issuers for state agencies to use credit cards  
 13-54 to pay for purchases. The comptroller [~~commission~~] may not enter  
 13-55 into a contract that conflicts with the [~~comptroller's~~] rules  
 13-56 described by this subsection.  
 13-57 SECTION 45. Section 2155.441(c), Government Code, is  
 13-58 amended to read as follows:  
 13-59 (c) The comptroller [~~commission~~] is not required to  
 13-60 purchase products under this section that do not meet formal state  
 13-61 specifications developed by the comptroller [~~commission~~] or meet  
 13-62 commercial specifications approved by the comptroller  
 13-63 [~~commission~~].  
 13-64 SECTION 46. Section 2155.442, Government Code, is amended  
 13-65 to read as follows:  
 13-66 Sec. 2155.442. PREFERENCE FOR ENERGY EFFICIENT PRODUCTS.  
 13-67 The comptroller [~~commission~~] shall give preference to energy  
 13-68 efficient products in purchases made under this subtitle if:  
 13-69 (1) the products meet state specifications regarding

14-1 quantity and quality; and

14-2 (2) the cost of the product is equal to or less than  
14-3 the cost of other similar products that are not energy efficient.

14-4 SECTION 47. Section 2155.443, Government Code, is amended  
14-5 to read as follows:

14-6 Sec. 2155.443. PREFERENCE FOR RUBBERIZED ASPHALT PAVING.  
14-7 The comptroller [~~commission~~] may give preference to rubberized  
14-8 asphalt paving made from scrap tires by a facility in this state in  
14-9 purchases of rubberized asphalt paving material if the cost as  
14-10 determined by a life-cycle cost benefit analysis does not exceed by  
14-11 more than 15 percent the bid cost of alternative paving materials.

14-12 SECTION 48. Sections 2155.444(a), (d), and (e), Government  
14-13 Code, are amended to read as follows:

14-14 (a) The comptroller [~~commission~~] and all state agencies  
14-15 making purchases of goods, including agricultural products, shall  
14-16 give preference to those produced or grown in this state or offered  
14-17 by Texas bidders as follows:

14-18 (1) goods produced or offered by a Texas bidder that is  
14-19 owned by a service-disabled veteran who is a Texas resident shall be  
14-20 given a first preference and goods produced in this state or offered  
14-21 by other Texas bidders shall be given second preference, if the cost  
14-22 to the state and quality are equal; and

14-23 (2) agricultural products grown in this state shall be  
14-24 given first preference and agricultural products offered by Texas  
14-25 bidders shall be given second preference, if the cost to the state  
14-26 and quality are equal.

14-27 (d) The comptroller [~~commission~~] and all state agencies  
14-28 making purchase of vegetation for landscaping purposes, including  
14-29 plants, shall give preference to Texas vegetation native to the  
14-30 region if the cost to the state is not greater and the quality is not  
14-31 inferior.

14-32 (e) The comptroller [~~commission~~] and all state agencies  
14-33 procuring services shall give first preference to services offered  
14-34 by a Texas bidder that is owned by a service-disabled veteran who is  
14-35 a Texas resident and shall give second preference to services  
14-36 offered by other Texas bidders if:

14-37 (1) the services meet state requirements regarding the  
14-38 service to be performed and expected quality; and

14-39 (2) the cost of the service does not exceed the cost of  
14-40 other similar services of similar expected quality that are offered  
14-41 by a bidder that is not entitled to a preference under this  
14-42 subsection.

14-43 SECTION 49. Sections 2155.445(a), (b), and (c), Government  
14-44 Code, are amended to read as follows:

14-45 (a) The comptroller [~~commission~~] and state agencies shall  
14-46 give preference to recycled, remanufactured, or environmentally  
14-47 sensitive products, as those terms are defined by rule of the  
14-48 comptroller [~~commission~~], in purchases made under this subtitle if:

14-49 (1) the product meets state specifications regarding  
14-50 quantity and quality; and

14-51 (2) the average price of the product is not more than  
14-52 10 percent greater than the price of comparable nonrecycled  
14-53 products.

14-54 (b) The comptroller [~~commission~~] regularly shall review and  
14-55 revise its procurement procedures and specifications for the  
14-56 purchase of goods to:

14-57 (1) eliminate procedures and specifications that  
14-58 explicitly discriminate against recycled, remanufactured, or  
14-59 environmentally sensitive products, as those terms are defined by  
14-60 rule of the comptroller [~~commission~~]; and

14-61 (2) encourage the use of recycled, remanufactured, or  
14-62 environmentally sensitive products.

14-63 (c) In developing new procedures and specifications, the  
14-64 comptroller [~~commission~~] shall encourage the use of recycled  
14-65 products and products that may be recycled or reused or that are  
14-66 remanufactured or environmentally sensitive.

14-67 SECTION 50. Sections 2155.446(a) and (b), Government Code,  
14-68 are amended to read as follows:

14-69 (a) Subject to Subsection (c), the comptroller [~~commission~~]

15-1 shall contract for paper containing the highest proportion of  
 15-2 recycled fibers for all purposes for which paper with recycled  
 15-3 fibers may be used and to the extent that the paper is available  
 15-4 through normal commercial sources to supply the state's needs.

15-5 (b) Subject to Subsection (c), a state agency that purchases  
 15-6 through the comptroller [~~commission~~] shall place orders for papers  
 15-7 containing recycled fibers to the highest extent of its needs and to  
 15-8 the extent that the paper is available through the comptroller's  
 15-9 [~~commission's~~] purchasing procedures.

15-10 SECTION 51. Section 2155.447, Government Code, is amended  
 15-11 to read as follows:

15-12 Sec. 2155.447. PURCHASE OF RECYCLED OIL. The comptroller  
 15-13 [~~commission~~], all state agencies, and all state agency employees  
 15-14 who purchase motor oil and other automotive lubricants for  
 15-15 state-owned vehicles shall give preference to motor oils and  
 15-16 lubricants that contain at least 25 percent recycled oil if the cost  
 15-17 to the state and the quality are comparable to those of new oil and  
 15-18 lubricants.

15-19 SECTION 52. Sections 2155.448(a) and (b), Government Code,  
 15-20 are amended to read as follows:

15-21 (a) Each state fiscal year, the comptroller [~~commission~~] by  
 15-22 rule may identify recycled, remanufactured, or environmentally  
 15-23 sensitive commodities or services, as those terms are defined by  
 15-24 rule of the comptroller [~~commission~~], and designate purchasing  
 15-25 goals for the procurement of those commodities and services by  
 15-26 state agencies for that fiscal year.

15-27 (b) A state agency that intends to purchase a commodity or  
 15-28 service that accomplishes the same purpose as a commodity or  
 15-29 service identified under Subsection (a) that does not meet the  
 15-30 definition of a recycled product or that is not remanufactured or  
 15-31 environmentally sensitive, as those terms are defined by rule of  
 15-32 the comptroller [~~commission~~], shall include with the procurement  
 15-33 file a written justification signed by the executive head of the  
 15-34 agency stating the reasons for the determination that the commodity  
 15-35 or service identified by the comptroller [~~commission~~] will not meet  
 15-36 the requirements of the agency.

15-37 SECTION 53. Section 2155.449(b), Government Code, is  
 15-38 amended to read as follows:

15-39 (b) The comptroller [~~commission~~] and all state agencies  
 15-40 procuring goods or services shall give preference to goods or  
 15-41 services produced in an economically depressed or blighted area if:

15-42 (1) the goods or services meet state specifications  
 15-43 regarding quantity and quality; and

15-44 (2) the cost of the good or service does not exceed the  
 15-45 cost of other similar products or services that are not produced in  
 15-46 an economically depressed or blighted area.

15-47 SECTION 54. Section 2155.450, Government Code, is amended  
 15-48 to read as follows:

15-49 Sec. 2155.450. PREFERENCE FOR PRODUCTS OF FACILITIES ON  
 15-50 FORMERLY CONTAMINATED PROPERTY. The comptroller [~~commission~~] and  
 15-51 state agencies shall give preference to goods produced at a  
 15-52 facility located on property for which the owner has received a  
 15-53 certificate of completion under Section 361.609, Health and Safety  
 15-54 Code, if the goods meet state specifications regarding quantity,  
 15-55 quality, delivery, life cycle costs, and price.

15-56 SECTION 55. Section 2155.451(b), Government Code, is  
 15-57 amended to read as follows:

15-58 (b) The comptroller [~~commission~~] and state agencies  
 15-59 procuring goods or services may:

15-60 (1) give preference to goods or services of a vendor  
 15-61 that demonstrates that the vendor meets or exceeds any state or  
 15-62 federal environmental standards, including voluntary standards,  
 15-63 relating to air quality; or

15-64 (2) require that a vendor demonstrate that the vendor  
 15-65 meets or exceeds any state or federal environmental standards,  
 15-66 including voluntary standards, relating to air quality.

15-67 SECTION 56. Section 2155.452, Government Code, is amended  
 15-68 to read as follows:

15-69 Sec. 2155.452. PREFERENCE FOR CONTRACTORS PROVIDING FOODS

16-1 OF HIGHER NUTRITIONAL VALUE. (a) The comptroller [~~commission~~] and  
 16-2 state agencies making purchases of food for consumption in a public  
 16-3 cafeteria may give preference to contractors who provide foods of  
 16-4 higher nutritional value and who do not provide foods containing  
 16-5 trans fatty acids for consumption in the cafeteria.

16-6 (b) In complying with this section, the comptroller  
 16-7 [~~commission~~] and state agencies shall review the Department of  
 16-8 Agriculture's nutrition standards.

16-9 SECTION 57. Sections 2155.502(a), (b), and (c), Government  
 16-10 Code, are amended to read as follows:

16-11 (a) The comptroller [~~commission~~] shall develop a schedule  
 16-12 of multiple award contracts that have been previously awarded using  
 16-13 a competitive process by:

16-14 (1) the federal government, including the federal  
 16-15 General Services Administration; or

16-16 (2) any other governmental entity in any state.

16-17 (b) In developing a schedule under Subsection (a) or (e),  
 16-18 the comptroller [~~commission~~] or department, as appropriate, shall  
 16-19 modify any contractual terms, with the agreement of the parties to  
 16-20 the contract, as necessary to comply with any federal or state  
 16-21 requirements, including rules adopted under this subchapter.

16-22 (c) The comptroller [~~commission~~] may not list a multiple  
 16-23 award contract on a schedule developed under Subsection (a) if the  
 16-24 goods or services provided by that contract:

16-25 (1) are available from only one vendor;

16-26 (2) are telecommunications services, facilities, or  
 16-27 equipment;

16-28 (3) are commodity items as defined by Section  
 16-29 2157.068(a); or

16-30 (4) are engineering services as described by Section  
 16-31 1001.003, Occupations Code, or architectural services as described  
 16-32 by Section 1051.001, Occupations Code.

16-33 SECTION 58. Sections 2155.505(b) and (c), Government Code,  
 16-34 are amended to read as follows:

16-35 (b) The comptroller [~~commission~~] shall strongly encourage  
 16-36 each vendor with a contract listed on a schedule developed under  
 16-37 this subchapter and who is not a historically underutilized  
 16-38 business or small business to use historically underutilized or  
 16-39 small businesses to sell or provide a service under the contract.  
 16-40 If a vendor does not make a good faith effort to use historically  
 16-41 underutilized and small businesses under the contract, the  
 16-42 comptroller [~~commission~~] may exclude the vendor from being listed  
 16-43 on a schedule developed under this subchapter.

16-44 (c) A historically underutilized business or small business  
 16-45 may sell or provide a service under another vendor's contract  
 16-46 listed on a schedule developed under this subchapter if:

16-47 (1) the contract is on a schedule developed under  
 16-48 Section 2155.502;

16-49 (2) the vendor for the contract authorizes in writing  
 16-50 the historically underutilized business or small business to sell  
 16-51 or provide a service under that contract; and

16-52 (3) the historically underutilized business or small  
 16-53 business provides that written authorization to the comptroller  
 16-54 [~~commission~~].

16-55 SECTION 59. Sections 2155.506, 2155.508, and 2155.510,  
 16-56 Government Code, are amended to read as follows:

16-57 Sec. 2155.506. REPORTING REQUIREMENTS. (a) A vendor  
 16-58 listed on a contract for a schedule developed under this subchapter  
 16-59 shall report its sales to the comptroller [~~commission~~] in the  
 16-60 manner prescribed by the comptroller [~~commission~~].

16-61 (b) The comptroller [~~commission~~] shall compile the  
 16-62 information reported under Subsection (a) and include the  
 16-63 information in its report under Section 2101.011.

16-64 Sec. 2155.508. INTERNET AVAILABILITY. (a) The comptroller  
 16-65 [~~commission~~] shall develop a database of the multiple award  
 16-66 contracts developed under this subchapter and make that information  
 16-67 available on an Internet site. The database must have search  
 16-68 capabilities that allow a person to easily access the contracts.

16-69 (b) The comptroller [~~commission~~] shall allow vendors to

17-1 apply through the Internet site to be listed on a schedule developed  
 17-2 under this subchapter. The applicant shall provide an electronic  
 17-3 mail address to the comptroller [~~commission~~] as part of the  
 17-4 application process.

17-5 Sec. 2155.510. REBATES. (a) The comptroller [~~commission~~]  
 17-6 may collect a rebate from a vendor under a contract listed on a  
 17-7 schedule developed under this subchapter.

17-8 (b) If a purchase resulting in a rebate under this section  
 17-9 is made in whole or in part with federal funds, the comptroller  
 17-10 [~~commission~~] shall ensure that, to the extent the purchase was made  
 17-11 with federal funds, the appropriate portion of the rebate is  
 17-12 reported to the purchasing agency for reporting and reconciliation  
 17-13 purposes with the appropriate federal funding agency.

17-14 SECTION 60. Sections 2156.001, 2156.0011, and 2156.004,  
 17-15 Government Code, are amended to read as follows:

17-16 Sec. 2156.001. CONTRACT PURCHASE PROCEDURE AUTHORIZED. The  
 17-17 comptroller [~~commission~~] may use the contract purchase procedure to  
 17-18 purchase goods and services.

17-19 Sec. 2156.0011. COMPTROLLER POWERS AND [~~TRANSFER OF~~]  
 17-20 DUTIES [~~, REFERENCE~~]. [~~(a)~~] The comptroller has under this chapter  
 17-21 the powers and duties described by Section 2151.004(d) [~~of the~~]  
 17-22 commission under this chapter are transferred to the comptroller].

17-23 [~~(b) In this chapter, a reference to the commission means~~  
 17-24 ~~the comptroller.~~]

17-25 Sec. 2156.004. BID DEPOSIT. (a) The comptroller  
 17-26 [~~commission~~], as considered necessary, may require a bid deposit in  
 17-27 an amount determined by the comptroller [~~commission~~]. The amount  
 17-28 of the deposit, if any, must be stated in the public notice and the  
 17-29 invitation to bid.

17-30 (b) On the award of a bid or the rejection of all bids, the  
 17-31 comptroller [~~commission~~] shall refund the bid deposit of an  
 17-32 unsuccessful bidder.

17-33 (c) The comptroller [~~commission~~] may accept from a bidder a  
 17-34 bid deposit in the form of a blanket bond.

17-35 SECTION 61. Section 2156.006(b), Government Code, is  
 17-36 amended to read as follows:

17-37 (b) The comptroller [~~commission~~] may waive this requirement  
 17-38 if the failure to comply is beyond the bidder's control.

17-39 SECTION 62. Sections 2156.007(a), (b), and (d), Government  
 17-40 Code, are amended to read as follows:

17-41 (a) The comptroller [~~commission~~] or other state agency  
 17-42 making a purchase shall award a contract to the bidder offering the  
 17-43 best value for the state while conforming to the specifications  
 17-44 required.

17-45 (b) In determining the bidder offering the best value, the  
 17-46 comptroller [~~commission~~] or other state agency may consider the  
 17-47 safety record of the bidder, the entity represented by the bidder,  
 17-48 and any person acting for the represented entity only if:

17-49 (1) the comptroller [~~commission~~] or other state agency  
 17-50 has adopted a written definition and criteria for accurately  
 17-51 determining the safety record of a bidder; and

17-52 (2) the comptroller [~~commission~~] or state agency  
 17-53 provided notice in the bid specifications to prospective bidders  
 17-54 that a bidder's safety record may be considered in determining the  
 17-55 bidder offering the best value for the state.

17-56 (d) In determining the bidder offering the best value, in  
 17-57 addition to price the comptroller [~~commission~~] or other state  
 17-58 agency shall consider:

17-59 (1) the quality and availability of the goods or  
 17-60 contractual services and their adaptability to the use required;

17-61 (2) the scope of conditions attached to the bid;

17-62 (3) the bidder's ability, capacity, and skill to  
 17-63 perform the contract or provide the service required;

17-64 (4) the bidder's ability to perform the contract or  
 17-65 provide the service promptly, or in the time required, without  
 17-66 delay or interference;

17-67 (5) the bidder's character, responsibility,  
 17-68 integrity, and experience or demonstrated capability;

17-69 (6) the quality of performance of previous contracts

18-1 or services;

18-2 (7) the bidder's previous and existing compliance with  
18-3 laws relating to the contract or service;

18-4 (8) the bidder's previous or existing noncompliance  
18-5 with specification requirements relating to the time of submission  
18-6 of specified information, including samples, models, drawings, or  
18-7 certificates;

18-8 (9) the sufficiency of the bidder's financial  
18-9 resources and ability to perform the contract or provide the  
18-10 service; and

18-11 (10) the bidder's ability to provide future  
18-12 maintenance, repair parts, and service for the use of the  
18-13 contract's subject.

18-14 SECTION 63. Sections 2156.008, 2156.009, and 2156.010,  
18-15 Government Code, are amended to read as follows:

18-16 Sec. 2156.008. REJECTION OF BIDS. (a) The comptroller  
18-17 [~~commission~~] or other state agency making the purchase shall reject  
18-18 a bid in which there is a material failure to comply with  
18-19 specification requirements.

18-20 (b) The comptroller [~~commission~~] or other state agency may  
18-21 reject all bids or parts of bids if the rejection serves the state's  
18-22 interest.

18-23 Sec. 2156.009. REASONS FOR AWARD. On award of a contract,  
18-24 the division of the comptroller [~~commission~~] responsible for  
18-25 purchasing or the state agency making the purchase shall prepare  
18-26 and file with other records relating to the transaction a statement  
18-27 of the reasons for making the award to the successful bidder and the  
18-28 factors considered in determining which bidder offered the best  
18-29 value for the state.

18-30 Sec. 2156.010. TIE BIDS. In the case of tie bids, the value  
18-31 and cost to the state being equal, a contract shall be awarded under  
18-32 comptroller [~~commission~~] rules.

18-33 SECTION 64. Sections 2156.011(a), (b), and (d), Government  
18-34 Code, are amended to read as follows:

18-35 (a) The comptroller [~~commission~~] may require a performance  
18-36 bond before executing a contract.

18-37 (b) The comptroller [~~commission~~] may require the bond in an  
18-38 amount that the comptroller [~~commission~~] finds reasonable and  
18-39 necessary to protect the state's interests.

18-40 (d) Any bond required shall be filed with the comptroller  
18-41 [~~commission~~].

18-42 SECTION 65. Section 2156.061, Government Code, is amended  
18-43 to read as follows:

18-44 Sec. 2156.061. USE OF OPEN MARKET PURCHASE PROCEDURE  
18-45 [~~AUTHORIZED, USE OF PROCEDURE~~]. On a comptroller [~~commission~~]  
18-46 determination that a purchase of goods or services may be made most  
18-47 effectively in the open market, the comptroller [~~commission~~] may  
18-48 use the open market purchase procedure and the purchase may be made  
18-49 without newspaper advertising.

18-50 SECTION 66. Sections 2156.064(a) and (b), Government Code,  
18-51 are amended to read as follows:

18-52 (a) The comptroller [~~commission~~] shall keep a record of all  
18-53 open market orders and bids submitted on the orders.

18-54 (b) A tabulation of the bids shall be open for public  
18-55 inspection, under rules established by the comptroller  
18-56 [~~commission~~].

18-57 SECTION 67. Sections 2156.065, 2156.066, 2156.121,  
18-58 2156.122, 2156.123, 2156.124, 2156.125, and 2156.126, Government  
18-59 Code, are amended to read as follows:

18-60 Sec. 2156.065. AGENCY REVIEW OF BIDS. (a) On the request  
18-61 of a state agency to review the bids on a purchase administered by  
18-62 the comptroller [~~commission~~], the comptroller [~~commission~~] shall  
18-63 send or make available to the requesting agency copies of each bid  
18-64 received and the comptroller's [~~commission's~~] recommended award.

18-65 (b) If, after review of the bids and evaluation of the  
18-66 quality of goods or services offered in the bids, the state agency  
18-67 determines that the bid selected by the comptroller [~~commission~~]  
18-68 does not offer the best value for the state, the agency may file  
18-69 with the comptroller [~~commission~~] a written recommendation that the

19-1 award be made to the bidder who, according to the agency's  
 19-2 determination, offers the best value for the state. The agency  
 19-3 recommendation must include a justification of the agency's  
 19-4 determination.

19-5 (c) The comptroller [~~commission~~] shall consider, but is not  
 19-6 bound by, the agency recommendation in making the award.

19-7 Sec. 2156.066. STATEMENT OF REASONS FOR AWARD. The  
 19-8 division of the comptroller [~~commission~~] responsible for  
 19-9 purchasing or the state agency making a purchase shall prepare and  
 19-10 file with other records relating to a transaction under this  
 19-11 subchapter a statement of the reasons for placing an order with a  
 19-12 successful bidder for the transaction and the factors considered in  
 19-13 determining the bid offering the best value for the state.

19-14 Sec. 2156.121. USE OF COMPETITIVE SEALED PROPOSALS. (a)  
 19-15 The comptroller [~~commission~~] or other state agency may follow a  
 19-16 procedure using competitive sealed proposals to acquire goods or  
 19-17 services if the comptroller [~~commission~~] determines that  
 19-18 competitive sealed bidding and informal competitive bidding for the  
 19-19 purchase or type of purchase are not practical or are  
 19-20 disadvantageous to the state.

19-21 (b) A state agency shall send its proposal specifications  
 19-22 and criteria to the comptroller [~~commission~~] for approval or  
 19-23 request the comptroller [~~commission~~] to develop the proposal  
 19-24 specifications and criteria.

19-25 (c) The comptroller [~~commission~~] shall determine whether to  
 19-26 delegate sole oversight of the acquisition to a state agency or to  
 19-27 retain oversight of the procurement.

19-28 Sec. 2156.122. SOLICITATION OF PROPOSALS. The comptroller  
 19-29 [~~commission~~] or other state agency shall:

19-30 (1) solicit proposals under this subchapter by a  
 19-31 request for proposals; and

19-32 (2) give public notice of a request for proposals in  
 19-33 the manner provided for requests for bids under Subchapter B.

19-34 Sec. 2156.123. OPENING AND FILING OF PROPOSALS; PUBLIC  
 19-35 INSPECTION. (a) The comptroller [~~commission~~] or other state  
 19-36 agency shall avoid disclosing the contents of each proposal on  
 19-37 opening the proposal and during negotiations with competing  
 19-38 offerors.

19-39 (b) The comptroller [~~commission~~] or other state agency  
 19-40 shall file each proposal in a register of proposals, which, after a  
 19-41 contract is awarded, is open for public inspection unless the  
 19-42 register contains information that is excepted from required  
 19-43 disclosure under Subchapter C, Chapter 552.

19-44 Sec. 2156.124. DISCUSSION AND REVISION OF PROPOSALS. (a)  
 19-45 As provided in a request for proposals and under rules adopted by  
 19-46 the comptroller [~~commission~~], the comptroller [~~commission~~] or  
 19-47 other state agency may discuss acceptable or potentially acceptable  
 19-48 proposals with offerors to assess an offeror's ability to meet the  
 19-49 solicitation requirements. When the comptroller [~~commission~~] is  
 19-50 managing the request for proposals process, it shall invite a  
 19-51 requisitioning agency to participate in discussions conducted  
 19-52 under this section.

19-53 (b) After receiving a proposal but before making an award,  
 19-54 the comptroller [~~commission~~] or other state agency may permit the  
 19-55 offeror to revise the proposal to obtain the best final offer.

19-56 (c) The comptroller [~~commission~~] or other state agency may  
 19-57 not disclose information derived from proposals submitted from  
 19-58 competing offerors in conducting discussions under this section.

19-59 (d) The comptroller [~~commission~~] or other state agency  
 19-60 shall provide each offeror an equal opportunity to discuss and  
 19-61 revise proposals.

19-62 Sec. 2156.125. CONTRACT AWARD. (a) The comptroller  
 19-63 [~~commission~~] or other state agency shall make a written award of a  
 19-64 contract to the offeror whose proposal offers the best value for the  
 19-65 state, considering price, past vendor performance, vendor  
 19-66 experience or demonstrated capability, and the evaluation factors  
 19-67 in the request for proposals.

19-68 (b) The comptroller [~~commission~~] or other state agency  
 19-69 shall refuse all offers if none of the offers submitted is

20-1 acceptable.

20-2 (c) The comptroller [~~commission~~] or other state agency  
20-3 shall determine which proposal offers the best value for the state  
20-4 in accordance with Sections 2155.074 and 2155.075.

20-5 (d) The comptroller [~~commission~~] or other state agency  
20-6 shall state in writing in the contract file the reasons for making  
20-7 an award.

20-8 Sec. 2156.126. ADOPTION OF RULES; STATE AGENCY ASSISTANCE.  
20-9 The comptroller [~~commission~~] may adopt rules and request assistance  
20-10 from other state agencies to perform its responsibilities under  
20-11 this subchapter.

20-12 SECTION 68. Sections 2156.181(a) and (b), Government Code,  
20-13 are amended to read as follows:

20-14 (a) The comptroller [~~commission~~] may enter into one or more  
20-15 compacts, interagency agreements, or cooperative purchasing  
20-16 agreements directly with one or more state governments, agencies of  
20-17 other states, or other governmental entities or may participate in,  
20-18 sponsor, or administer a cooperative purchasing agreement through  
20-19 an entity that facilitates those agreements for the purchase of  
20-20 goods or services if the comptroller [~~commission~~] determines that  
20-21 the agreement would be in the best interest of the state.

20-22 (b) The comptroller [~~commission~~] may adopt rules to  
20-23 implement this section.

20-24 SECTION 69. Section 2157.001(1), Government Code, is  
20-25 amended to read as follows:

20-26 (1) "Automated information system" includes:

20-27 (A) the computers and computer devices on which  
20-28 an information system is automated, including computers and  
20-29 computer devices that the comptroller [~~commission~~] identifies in  
20-30 guidelines developed by the comptroller [~~commission~~] in  
20-31 consultation with the department and in accordance with Chapter  
20-32 2054 and rules adopted under that chapter;

20-33 (B) a service related to the automation of an  
20-34 information system, including computer software or computers;

20-35 (C) a telecommunications apparatus or device  
20-36 that serves as a component of a voice, data, or video communications  
20-37 network for transmitting, switching, routing, multiplexing,  
20-38 modulating, amplifying, or receiving signals on the network, and  
20-39 services related to telecommunications that are not covered under  
20-40 Paragraph (D); and

20-41 (D) for the department, as telecommunications  
20-42 provider for the state, the term includes any service provided by a  
20-43 telecommunications provider, as that term is defined by Section  
20-44 51.002, Utilities Code.

20-45 SECTION 70. Sections 2157.0011 and 2157.003, Government  
20-46 Code, are amended to read as follows:

20-47 Sec. 2157.0011. COMPTROLLER POWERS AND [~~TRANSFER OF~~]  
20-48 DUTIES [~~, REFERENCE~~]. [~~(a)~~] The comptroller has under this chapter  
20-49 the powers and duties described by Section 2151.004(d) [of the  
20-50 commission under this chapter are transferred to the comptroller].

20-51 [~~(b) In this chapter, a reference to the commission means~~  
20-52 ~~the comptroller.~~]

20-53 Sec. 2157.003. DETERMINING BEST VALUE FOR PURCHASES OF  
20-54 AUTOMATED INFORMATION SYSTEMS. "Best value" for purposes of this  
20-55 chapter means the lowest overall cost of an automated information  
20-56 system. In determining the lowest overall cost for a purchase or  
20-57 lease of an automated information system under this chapter, the  
20-58 comptroller [~~commission~~] or a state agency shall consider factors  
20-59 including:

20-60 (1) the purchase price;

20-61 (2) the compatibility to facilitate the exchange of  
20-62 existing data;

20-63 (3) the capacity for expanding and upgrading to more  
20-64 advanced levels of technology;

20-65 (4) quantitative reliability factors;

20-66 (5) the level of training required to bring persons  
20-67 using the system to a stated level of proficiency;

20-68 (6) the technical support requirements for the  
20-69 maintenance of data across a network platform and the management of

21-1 the network's hardware and software;

21-2 (7) the compliance with applicable department  
21-3 statewide standards validated by criteria adopted by the department  
21-4 by rule; and

21-5 (8) applicable factors listed in Sections 2155.074 and  
21-6 2155.075.

21-7 SECTION 71. Sections 2157.006(a) and (c), Government Code,  
21-8 are amended to read as follows:

21-9 (a) The comptroller [~~commission~~] or other state agency  
21-10 shall purchase an automated information system using:

21-11 (1) the purchasing method described by Section  
21-12 2157.068 for commodity items; or

21-13 (2) a purchasing method designated by the comptroller  
21-14 [~~commission~~] to obtain the best value for the state, including a  
21-15 request for offers method.

21-16 (c) The comptroller [~~commission~~] shall adopt rules for  
21-17 designating purchasing methods under Subsection (a)(2).

21-18 SECTION 72. Section 2157.068(i), Government Code, is  
21-19 amended to read as follows:

21-20 (i) Unless the agency has express statutory authority to  
21-21 employ a best value purchasing method other than a purchasing  
21-22 method designated by the comptroller [~~commission~~] under Section  
21-23 2157.006(a)(2), a state agency shall use a purchasing method  
21-24 provided by Section 2157.006(a) when purchasing a commodity item  
21-25 if:

21-26 (1) the agency has obtained an exemption from the  
21-27 department or approval from the Legislative Budget Board under  
21-28 Subsection (f); or

21-29 (2) the agency is otherwise exempt from this section.

21-30 SECTION 73. Sections 2157.121, 2157.122, 2157.123,  
21-31 2157.124, 2157.125, and 2157.126, Government Code, are amended to  
21-32 read as follows:

21-33 Sec. 2157.121. ACQUISITION THROUGH COMPETITIVE SEALED  
21-34 PROPOSALS. (a) The comptroller [~~commission~~] or other state agency  
21-35 may acquire a telecommunications device, system, or service or an  
21-36 automated information system by using competitive sealed proposals  
21-37 if the comptroller [~~commission~~] determines that competitive sealed  
21-38 bidding and informal competitive bidding are not practical or are  
21-39 disadvantageous to the state.

21-40 (b) A state agency, other than the department, shall send  
21-41 its proposal specifications and criteria to the comptroller  
21-42 [~~commission~~] for approval or request the comptroller [~~commission~~]  
21-43 to develop the proposal specifications and criteria.

21-44 (c) The department may acquire a telecommunications device,  
21-45 system, or service or an automated information system by using  
21-46 competitive sealed proposals without regard to whether the  
21-47 comptroller [~~commission~~] makes the determination required under  
21-48 Subsection (a) for other state agencies.

21-49 Sec. 2157.122. SOLICITATION OF PROPOSALS; PUBLIC NOTICE.  
21-50 The comptroller [~~commission~~] or other state agency shall:

21-51 (1) solicit proposals under this subchapter by a  
21-52 request for proposals; and

21-53 (2) give public notice of the request in the manner  
21-54 provided for requests for bids under Subchapter B, Chapter 2156.

21-55 Sec. 2157.123. OPENING AND FILING PROPOSALS; PUBLIC  
21-56 INSPECTION. (a) The comptroller [~~commission~~] or other state  
21-57 agency shall avoid disclosing the contents of each proposal on  
21-58 opening the proposal and during negotiations with competing  
21-59 offerors.

21-60 (b) The comptroller [~~commission~~] or other state agency  
21-61 shall file each proposal in a register of proposals, which, after a  
21-62 contract is awarded, is open for public inspection unless the  
21-63 register contains information that is excepted from required  
21-64 disclosure under Subchapter C, Chapter 552.

21-65 Sec. 2157.124. DISCUSSION AND REVISION OF PROPOSAL. (a) As  
21-66 provided by a request for proposals and under comptroller  
21-67 [~~commission~~] rules, the comptroller [~~commission~~] or other state  
21-68 agency may discuss an acceptable or potentially acceptable proposal  
21-69 with an offeror to assess the offeror's ability to meet the

22-1 solicitation requirements. When the comptroller [~~commission~~] is  
 22-2 managing the request for proposals process, it shall invite a  
 22-3 requisitioning agency to participate in discussions conducted  
 22-4 under this section.

22-5 (b) After receiving a proposal but before making an award,  
 22-6 the comptroller [~~commission~~] or other state agency may permit an  
 22-7 offeror to revise a proposal to obtain the best final offer.

22-8 (c) The comptroller [~~commission~~] or other state agency may  
 22-9 not disclose information derived from a proposal submitted by a  
 22-10 competing offeror in conducting discussions under this section.

22-11 (d) The comptroller [~~commission~~] or other state agency  
 22-12 shall provide each offeror an equal opportunity to discuss and  
 22-13 revise proposals.

22-14 Sec. 2157.125. CONTRACT AWARD; FACTORS CONSIDERED. (a)  
 22-15 The comptroller [~~commission~~] or other state agency shall make a  
 22-16 written award of a purchase or lease to the offeror whose proposal  
 22-17 under this subchapter offers the best value for the state,  
 22-18 considering price, past vendor performance, vendor experience or  
 22-19 demonstrated capability, and the evaluation factors in the request  
 22-20 for proposals.

22-21 (b) The comptroller [~~commission~~] or other state agency  
 22-22 shall refuse all offers if no offer submitted is acceptable.

22-23 (c) In determining which proposal under this subchapter  
 22-24 offers the best value for the state, the comptroller [~~commission~~]  
 22-25 or other state agency shall, when applicable and subject to  
 22-26 Sections 2155.074 and 2155.075, consider factors including:

- 22-27 (1) the installation cost;
- 22-28 (2) the overall life of the system or equipment;
- 22-29 (3) the cost of acquisition, operation, and  
 22-30 maintenance of hardware included with, associated with, or required  
 22-31 for the system or equipment during the state's ownership or lease;
- 22-32 (4) the cost of acquisition, operation, and  
 22-33 maintenance of software included with, associated with, or required  
 22-34 for the system or equipment during the state's ownership or lease;
- 22-35 (5) the estimated cost of other supplies needed  
 22-36 because of the acquisition;
- 22-37 (6) the estimated cost of employee training needed  
 22-38 because of the acquisition;
- 22-39 (7) the estimated cost of necessary additional  
 22-40 permanent employees because of the acquisition; and
- 22-41 (8) the estimated increase in employee productivity  
 22-42 because of the acquisition.

22-43 (d) The comptroller [~~commission~~] or other state agency  
 22-44 shall state in writing in the contract file the reasons for making  
 22-45 an award.

22-46 Sec. 2157.126. RULES. The comptroller [~~commission~~] shall  
 22-47 adopt rules necessary or convenient to perform its responsibilities  
 22-48 regarding requests for proposals under this subchapter and shall  
 22-49 request assistance from other state agencies as needed.

22-50 SECTION 74. Sections 2157.181, 2157.182, and 2157.184,  
 22-51 Government Code, are amended to read as follows:

22-52 Sec. 2157.181. PREAPPROVED CONTRACT TERMS AND CONDITIONS.

22-53 (a) The comptroller [~~commission~~], with the concurrence of the  
 22-54 department, may negotiate with vendors preapproved terms and  
 22-55 conditions to be included in contracts relating to the purchase or  
 22-56 lease of a telecommunication device, system, or service or an  
 22-57 automated information system awarded to a vendor by a state agency.

22-58 (b) The comptroller [~~commission~~] and the department must  
 22-59 agree to the wording of preapproved terms and conditions negotiated  
 22-60 with a vendor.

22-61 Sec. 2157.182. VALIDITY OF PREAPPROVED TERMS AND  
 22-62 CONDITIONS; RENEGOTIATION. (a) Preapproved terms and conditions  
 22-63 to which a vendor, the comptroller [~~commission~~], and the department  
 22-64 agree are valid for two years after the date of the agreement and  
 22-65 must provide that the terms and conditions are to be renegotiated  
 22-66 before the end of the two years.

22-67 (b) The comptroller [~~commission~~] and the department jointly  
 22-68 shall establish procedures to ensure that terms and conditions are  
 22-69 renegotiated before they expire in a contract between the vendor

23-1 and a state agency.

23-2 Sec. 2157.184. NOTIFICATION OF STATE AGENCIES AND VENDORS.  
23-3 The comptroller [~~commission~~] and the department jointly shall  
23-4 establish procedures to notify state agencies and potential vendors  
23-5 of the provisions of this subchapter regarding preapproved terms  
23-6 and conditions.

23-7 SECTION 75. Section 2158.0011, Government Code, is amended  
23-8 to read as follows:

23-9 Sec. 2158.0011. COMPTROLLER POWERS AND [~~TRANSFER OF~~]  
23-10 DUTIES [~~REFERENCE~~]. [~~(a)~~] The comptroller has under this chapter  
23-11 the powers and duties described by Section 2151.004(d) [~~of the~~  
23-12 ~~commission under this chapter are transferred to the comptroller~~].

23-13 [~~(b) In this chapter, a reference to the commission means~~  
23-14 ~~the comptroller.~~]

23-15 SECTION 76. Section 2158.004(d), Government Code, is  
23-16 amended to read as follows:

23-17 (d) The comptroller [~~commission~~] may waive the requirements  
23-18 of this section for a state agency on receipt of certification  
23-19 supported by evidence acceptable to the comptroller [~~commission~~]  
23-20 that:

23-21 (1) the agency's vehicles will be operating primarily  
23-22 in an area in which neither the agency nor a supplier has or can  
23-23 reasonably be expected to establish adequate refueling for  
23-24 compressed natural gas, liquefied natural gas, liquefied petroleum  
23-25 gas, methanol or methanol/gasoline blends of 85 percent or greater,  
23-26 ethanol or ethanol/gasoline blends of 85 percent or greater,  
23-27 biodiesel or biodiesel/diesel blends of 20 percent or greater, or  
23-28 electricity, including electricity to power a plug-in hybrid motor  
23-29 vehicle; or

23-30 (2) the agency is unable to obtain equipment or  
23-31 refueling facilities necessary to operate vehicles using  
23-32 compressed natural gas, liquefied natural gas, liquefied petroleum  
23-33 gas, methanol or methanol/gasoline blends of 85 percent or greater,  
23-34 ethanol or ethanol/gasoline blends of 85 percent or greater,  
23-35 biodiesel or biodiesel/diesel blends of 20 percent or greater, or  
23-36 electricity, including electricity to power a plug-in hybrid motor  
23-37 vehicle, at a projected cost that is reasonably expected to be no  
23-38 greater than the net costs of continued use of conventional  
23-39 gasoline or diesel fuels, measured over the expected useful life of  
23-40 the equipment or facilities supplied.

23-41 SECTION 77. Sections 2158.006 and 2158.007, Government  
23-42 Code, are amended to read as follows:

23-43 Sec. 2158.006. DETERMINATION OF ALTERNATIVE FUELS PROGRAM  
23-44 PARAMETERS. In developing the use of compressed natural gas,  
23-45 liquefied natural gas, liquefied petroleum gas, methanol or  
23-46 methanol/gasoline blends of 85 percent or greater, ethanol or  
23-47 ethanol/gasoline blends of 85 percent or greater, biodiesel or  
23-48 biodiesel/diesel blends of 20 percent or greater, or electricity,  
23-49 including electricity to power a plug-in hybrid motor vehicle, the  
23-50 comptroller [~~commission~~] should work with state agency fleet  
23-51 operators, vehicle manufacturers and converters, fuel  
23-52 distributors, and others to determine the vehicles to be covered,  
23-53 taking into consideration:

- 23-54 (1) range;
- 23-55 (2) specialty uses;
- 23-56 (3) fuel availability;
- 23-57 (4) vehicle manufacturing and conversion capability;
- 23-58 (5) safety;
- 23-59 (6) resale values; and
- 23-60 (7) other relevant factors.

23-61 Sec. 2158.007. COMPLIANCE WITH APPLICABLE SAFETY  
23-62 STANDARDS. In purchasing, leasing, maintaining, or converting  
23-63 vehicles for use with compressed natural gas, liquefied natural  
23-64 gas, liquefied petroleum gas, methanol or methanol/gasoline blends  
23-65 of 85 percent or greater, ethanol or ethanol/gasoline blends of 85  
23-66 percent or greater, biodiesel or biodiesel/diesel blends of 20  
23-67 percent or greater, or electricity, including electricity to power  
23-68 a plug-in hybrid motor vehicle, the comptroller [~~commission~~] shall  
23-69 comply with all applicable safety standards adopted by the United

24-1 States Department of Transportation and the Railroad Commission of  
24-2 Texas.

24-3 SECTION 78. Section [2158.122\(a\)](#), Government Code, is  
24-4 amended to read as follows:

24-5 (a) On consent of the comptroller [~~commission~~] and the  
24-6 governor, a person may print extra copies of matter printed under a  
24-7 state contract and sell the copies at a price fixed by the  
24-8 comptroller [~~commission~~] if in the opinion of the comptroller  
24-9 [~~commission~~] and the governor the printed matter should be  
24-10 distributed in this manner for the benefit of the public.

24-11 SECTION 79. Sections [2158.181](#) and [2158.241](#), Government  
24-12 Code, are amended to read as follows:

24-13 Sec. 2158.181. SAFETY STANDARDS FOR ELECTRICAL ITEMS. The  
24-14 comptroller [~~commission~~] or another state agency may not purchase  
24-15 an electrical item unless the item meets applicable safety  
24-16 standards of the federal Occupational Safety and Health  
24-17 Administration.

24-18 Sec. 2158.241. INTERSTATE COMPACTS AND COOPERATIVE  
24-19 AGREEMENTS FOR PROCURING RECYCLED PRODUCTS. The comptroller  
24-20 [~~commission~~] may enter into compacts and cooperative agreements  
24-21 with other states and government entities for procuring products  
24-22 made of recycled materials when the comptroller [~~commission~~]  
24-23 determines it is in the best interest of the state.

24-24 SECTION 80. Section [2158.301](#), Government Code, as added by  
24-25 Chapter 262 (S.B. 12), Acts of the 80th Legislature, Regular  
24-26 Session, 2007, is amended to read as follows:

24-27 Sec. 2158.301. ENERGY CONSERVATION. If available and cost  
24-28 effective, the comptroller [~~commission~~] or another state agency  
24-29 shall purchase equipment and appliances for state use that meet or  
24-30 exceed the federal Energy Star standards designated by the United  
24-31 States Environmental Protection Agency and the United States  
24-32 Department of Energy.

24-33 SECTION 81. Sections [2161.0011](#), [2161.0015](#), [2161.002](#), and  
24-34 [2161.003](#), Government Code, are amended to read as follows:

24-35 Sec. 2161.0011. COMPTROLLER POWERS AND [~~TRANSFER OF~~]  
24-36 DUTIES [~~, REFERENCE~~]. [~~(a)~~] The comptroller has under this chapter  
24-37 the powers and duties described by Section [2151.004\(d\)](#) [of the  
24-38 commission under this chapter are transferred to the comptroller].

24-39 [~~(b) In this chapter, a reference to the commission means~~  
24-40 ~~the comptroller.~~]

24-41 Sec. 2161.0015. DETERMINING SIZE STANDARDS FOR  
24-42 HISTORICALLY UNDERUTILIZED BUSINESSES. The comptroller  
24-43 [~~commission~~] may establish size standards that a business may not  
24-44 exceed if it is to be considered a historically underutilized  
24-45 business under this chapter. In determining the size standards,  
24-46 the comptroller [~~commission~~] shall determine the size at which a  
24-47 business should be considered sufficiently large that the business  
24-48 probably does not significantly suffer from the effects of past  
24-49 discriminatory practices.

24-50 Sec. 2161.002. [~~COMMISSION~~] ADMINISTRATION; RULES  
24-51 [~~COMPTROLLER ASSISTANCE~~]. (a) To administer Subchapters B and C,  
24-52 the comptroller [~~commission~~] may:

- 24-53 (1) require information from a state agency; and  
24-54 (2) adopt rules.

24-55 (c) In adopting rules to administer this chapter, the  
24-56 comptroller [~~commission~~] shall adopt rules that are based on the  
24-57 results of the "State of Texas Disparity Study, A Report to the  
24-58 Texas Legislature as Mandated by H.B. 2626, 73rd Legislature,  
24-59 December 1994" (prepared by National Economic Research Associates,  
24-60 Inc.). The comptroller [~~commission~~] shall revise the rules in  
24-61 response to the findings of any updates of the study that are  
24-62 prepared on behalf of the state.

24-63 (d) The comptroller shall adopt rules to provide goals for  
24-64 increasing the contract awards for the purchase of goods or  
24-65 services by the comptroller [~~commission~~] and other state agencies  
24-66 to businesses that qualify as historically underutilized  
24-67 businesses because the businesses are owned or owned, operated, and  
24-68 controlled, as applicable, wholly or partly by one or more veterans  
24-69 as defined by 38 U.S.C. Section 101(2) who have a service-connected

25-1 disability as defined by 38 U.S.C. Section 101(16). The goals  
 25-2 established under this subsection are in addition to the goals  
 25-3 established under Subsection (c) and the goals established under  
 25-4 Subsection (c) may not be reduced as a result of the establishment  
 25-5 of goals under this subsection.

25-6 Sec. 2161.003. AGENCY RULES. A state agency, including an  
 25-7 institution of higher education, shall adopt the comptroller's  
 25-8 [~~commission's~~] rules under Section 2161.002 as the agency's or  
 25-9 institution's own rules. Those rules apply to the agency's  
 25-10 construction projects and purchases of goods and services paid for  
 25-11 with appropriated money without regard to whether a project or  
 25-12 purchase is otherwise subject to this subtitle.

25-13 SECTION 82. Section 2161.004(a), Government Code, is  
 25-14 amended to read as follows:

25-15 (a) This chapter and rules adopted by the comptroller  
 25-16 [~~commission~~] under this chapter apply to state agency construction  
 25-17 projects and purchases of goods and services that are paid for with  
 25-18 appropriated money and made under the authority of this subtitle or  
 25-19 other law.

25-20 SECTION 83. Section 2161.005, Government Code, is amended  
 25-21 to read as follows:

25-22 Sec. 2161.005. TRANSFER OF FUNDS FOR PURCHASING. If the  
 25-23 state auditor reports to the comptroller [~~commission~~] under Section  
 25-24 2161.123(d) that a state agency is not complying with Section  
 25-25 2161.123, the comptroller [~~commission~~] shall report that fact to  
 25-26 the Legislative Budget Board. If the Legislative Budget Board  
 25-27 determines that, one year after the date of the state auditor's  
 25-28 report to the comptroller [~~commission~~], the agency is still not  
 25-29 complying with Section 2161.123, the budget board may, under  
 25-30 Section 69, Article XVI, Texas Constitution, direct the emergency  
 25-31 transfer of the agency's appropriated funds for making purchases  
 25-32 under purchasing authority delegated under Section 2155.131 [~~or~~  
 25-33 ~~2155.133~~] to the appropriate state agency. The amount transferred  
 25-34 from the agency's funds to the appropriate agency shall be an amount  
 25-35 determined by the Legislative Budget Board.

25-36 SECTION 84. The heading to Subchapter B, Chapter 2161,  
 25-37 Government Code, is amended to read as follows:

25-38 SUBCHAPTER B. GENERAL POWERS AND DUTIES [~~OF COMMISSION~~]

25-39 SECTION 85. The heading to Section 2161.061, Government  
 25-40 Code, is amended to read as follows:

25-41 Sec. 2161.061. [~~COMMISSION~~] CERTIFICATION OF HISTORICALLY  
 25-42 UNDERUTILIZED BUSINESSES.

25-43 SECTION 86. Sections 2161.061(a), (b), (c), and (d),  
 25-44 Government Code, are amended to read as follows:

25-45 (a) The comptroller [~~commission~~] shall certify historically  
 25-46 underutilized businesses.

25-47 (b) As one of its certification procedures, the comptroller  
 25-48 [~~commission~~] may:

25-49 (1) approve the certification program of one or more  
 25-50 local governments or nonprofit organizations in this state that  
 25-51 certify historically underutilized businesses, minority business  
 25-52 enterprises, women's business enterprises, or disadvantaged  
 25-53 business enterprises under substantially the same definition, to  
 25-54 the extent applicable, used by Section 2161.001, if the local  
 25-55 government or nonprofit organization meets or exceeds the standards  
 25-56 established by the comptroller [~~commission~~]; and

25-57 (2) certify a business that is certified by a local  
 25-58 government or by a nonprofit organization as a historically  
 25-59 underutilized business under this chapter.

25-60 (c) To maximize the number of certified historically  
 25-61 underutilized businesses, the comptroller [~~commission~~] shall enter  
 25-62 into agreements with local governments in this state that conduct  
 25-63 certification programs described by Subsection (b) and with  
 25-64 nonprofit organizations. The comptroller [~~commission~~] may  
 25-65 terminate an agreement if a local government or nonprofit  
 25-66 organization fails to meet the standards established by the  
 25-67 comptroller [~~commission~~] for certifying historically underutilized  
 25-68 businesses. The agreements must take effect immediately and:

25-69 (1) allow for automatic certification of businesses

26-1 certified by the local government or nonprofit organization;  
 26-2 (2) provide for the efficient updating of the  
 26-3 comptroller [~~commission~~] database containing information about  
 26-4 historically underutilized businesses and potential historically  
 26-5 underutilized businesses; and

26-6 (3) provide for a method by which the comptroller  
 26-7 [~~commission~~] may efficiently communicate with businesses certified  
 26-8 by the local government or nonprofit organization and provide those  
 26-9 businesses with information about the state historically  
 26-10 underutilized business program.

26-11 (d) A local government or a nonprofit organization that  
 26-12 certifies historically underutilized businesses, minority business  
 26-13 enterprises, women's business enterprises, or disadvantaged  
 26-14 business enterprises as described in Subsections (b) and (c) shall  
 26-15 complete the certification of an applicant or provide an applicant  
 26-16 with written justification of its certification denial within the  
 26-17 period established by the comptroller [~~commission~~] in its rules for  
 26-18 certification activities.

26-19 SECTION 87. Sections 2161.062, 2161.063, and 2161.064,  
 26-20 Government Code, are amended to read as follows:

26-21 Sec. 2161.062. ASSISTANCE TO HISTORICALLY UNDERUTILIZED  
 26-22 BUSINESSES. (a) The comptroller [~~commission~~] shall seek the  
 26-23 advice of the governor, legislature, and state agencies in  
 26-24 identifying and developing opportunities for historically  
 26-25 underutilized businesses.

26-26 (b) The comptroller [~~commission~~] shall offer historically  
 26-27 underutilized businesses assistance and training regarding state  
 26-28 procurement procedures.

26-29 (c) The comptroller [~~commission~~] shall advise historically  
 26-30 underutilized businesses of available state contracts and shall  
 26-31 advise historically underutilized businesses to apply for  
 26-32 registration on the comptroller's [~~commission's~~] master bidders  
 26-33 list.

26-34 (d) The comptroller [~~commission~~] shall send historically  
 26-35 underutilized businesses an orientation package on certification  
 26-36 or recertification. The package shall include:

26-37 (1) a certificate issued in the historically  
 26-38 underutilized business's name;

26-39 (2) a description of the significance and value of  
 26-40 certification;

26-41 (3) a list of state purchasing personnel;

26-42 (4) information regarding electronic commerce  
 26-43 opportunities;

26-44 (5) information regarding the Texas Marketplace  
 26-45 website; and

26-46 (6) additional information about the state  
 26-47 procurement process.

26-48 (e) A state agency with a biennial budget that exceeds \$10  
 26-49 million shall designate a staff member to serve as the historically  
 26-50 underutilized businesses coordinator for the agency during the  
 26-51 fiscal year. The procurement director may serve as the  
 26-52 coordinator. In agencies that employ a historically underutilized  
 26-53 businesses coordinator, the position of coordinator, within the  
 26-54 agency's structure, must be at least equal to the position of  
 26-55 procurement director. In addition to any other responsibilities,  
 26-56 the coordinator shall:

26-57 (1) coordinate training programs for the recruitment  
 26-58 and retention of historically underutilized businesses;

26-59 (2) report required information to the comptroller  
 26-60 [~~commission~~]; and

26-61 (3) match historically underutilized businesses with  
 26-62 key staff within the agency.

26-63 Sec. 2161.063. ASSISTING STATE AGENCIES. (a) The  
 26-64 comptroller [~~commission~~] shall encourage state agencies to use  
 26-65 historically underutilized businesses by:

26-66 (1) working with state agencies to establish a  
 26-67 statewide policy for increasing the use of historically  
 26-68 underutilized businesses;

26-69 (2) assisting state agencies in seeking historically

27-1 underutilized businesses capable of supplying required goods or  
27-2 services;

27-3 (3) assisting state agencies in identifying and  
27-4 advising historically underutilized businesses on the types of  
27-5 goods and services the agencies need; and

27-6 (4) assisting state agencies in increasing the amount  
27-7 of business placed with historically underutilized businesses.

27-8 (b) The comptroller [~~commission~~] shall assist the Texas  
27-9 Department of Economic Development in performing the department's  
27-10 duties under Section [481.0068](#).

27-11 Sec. 2161.064. DIRECTORY. (a) The comptroller  
27-12 [~~commission~~] shall compile, in the most cost-efficient form, a  
27-13 directory of businesses certified as historically underutilized  
27-14 businesses under Section [2161.061](#).

27-15 (b) The comptroller [~~commission~~] at least semiannually  
27-16 shall update the directory and provide access to the directory  
27-17 electronically or in another form to each state agency.

27-18 (c) Depending on the needs of a state agency, the  
27-19 comptroller [~~commission~~] shall provide access to the directory  
27-20 electronically or in another form.

27-21 (d) The comptroller [~~commission~~] shall provide a copy of the  
27-22 directory to every municipality in January and July of each year.  
27-23 On request, the comptroller [~~commission~~] shall make the directory  
27-24 available to other local governments and the public.

27-25 (e) A state agency, including the comptroller [~~commission~~],  
27-26 shall use the directory in determining awards of state purchasing  
27-27 and public works contracts.

27-28 SECTION 88. Section [2161.065](#)(a), Government Code, is  
27-29 amended to read as follows:

27-30 (a) The comptroller [~~commission~~] shall design a  
27-31 mentor-protégé program to foster long-term relationships between  
27-32 prime contractors and historically underutilized businesses and to  
27-33 increase the ability of historically underutilized businesses to  
27-34 contract with the state or to receive subcontracts under a state  
27-35 contract. Each state agency with a biennial appropriation that  
27-36 exceeds \$10 million shall implement the program designed by the  
27-37 comptroller [~~commission~~].

27-38 SECTION 89. Sections [2161.066](#)(a), (d), and (e), Government  
27-39 Code, are amended to read as follows:

27-40 (a) The comptroller [~~commission~~] shall design a program of  
27-41 forums in which historically underutilized businesses are invited  
27-42 by state agencies to deliver technical and business presentations  
27-43 that demonstrate their capability to do business with the agency:

27-44 (1) to senior managers and procurement personnel at  
27-45 state agencies that acquire goods and services of a type supplied by  
27-46 the historically underutilized businesses; and

27-47 (2) to contractors with the state who may be  
27-48 subcontracting for goods and services of a type supplied by the  
27-49 historically underutilized businesses.

27-50 (d) Each state agency that has a historically underutilized  
27-51 businesses coordinator shall:

27-52 (1) design its own program and model the program to the  
27-53 extent appropriate on the program developed by the comptroller  
27-54 [~~commission~~] under this section; and

27-55 (2) sponsor presentations by historically  
27-56 underutilized businesses at the agency.

27-57 (e) The comptroller [~~commission~~] and each state agency that  
27-58 has a historically underutilized businesses coordinator shall  
27-59 aggressively identify and notify individual historically  
27-60 underutilized businesses regarding opportunities to make a  
27-61 presentation regarding the types of goods and services supplied by  
27-62 the historically underutilized business and shall advertise in  
27-63 appropriate trade publications that target historically  
27-64 underutilized businesses regarding opportunities to make a  
27-65 presentation.

27-66 SECTION 90. Section [2161.121](#), Government Code, as amended  
27-67 by Chapters 48 (H.B. 2472) and 1312 (S.B. 59), Acts of the 83rd  
27-68 Legislature, Regular Session, 2013, is reenacted and amended to  
27-69 read as follows:

28-1           Sec. 2161.121. [~~COMMISSION~~] REPORT OF CONTRACTS AWARDED TO  
 28-2 HISTORICALLY UNDERUTILIZED BUSINESSES. (a) The comptroller  
 28-3 [~~commission~~] shall prepare a consolidated report that:

28-4           (1) includes the number and dollar amount of contracts  
 28-5 awarded and paid to historically underutilized businesses  
 28-6 certified by the comptroller [~~commission~~];

28-7           (2) analyzes the relative level of opportunity for  
 28-8 historically underutilized businesses for various categories of  
 28-9 acquired goods and services; and

28-10           (3) tracks, by vendor identification number and, to  
 28-11 the extent allowed by federal law, by social security number, the  
 28-12 graduation rates for historically underutilized businesses that  
 28-13 grew to exceed the size standards determined by the comptroller  
 28-14 [~~commission~~].

28-15           (b) Each state agency shall send to the comptroller  
 28-16 [~~commission~~] information required by Section 2161.122 and other  
 28-17 information required by the comptroller [~~commission~~] for the  
 28-18 preparation of the comptroller's [~~commission's~~] report not later  
 28-19 than March 15 and September 15 of each year.

28-20           (c) The comptroller [~~commission~~] shall base its report on  
 28-21 the compilation and analysis of reports received under Subsection  
 28-22 (b) and other information maintained or received by [~~from~~] the  
 28-23 comptroller.

28-24           (d) The comptroller [~~commission~~] shall send to the  
 28-25 presiding officer of each house of the legislature:

28-26           (1) on May 15 of each year, a report on the previous  
 28-27 six-month period; and

28-28           (2) on November 15 of each year, a report on the  
 28-29 preceding fiscal year.

28-30           SECTION 91. Sections 2161.122(c), (d), and (e), Government  
 28-31 Code, are amended to read as follows:

28-32           (c) Each state agency shall report to the comptroller  
 28-33 [~~commission~~] in accordance with Section 2161.125 the following  
 28-34 information with regard to the expenditure of both treasury and  
 28-35 nontreasury funds:

28-36           (1) the total dollar amount of purchases and payments  
 28-37 made under contracts awarded to historically underutilized  
 28-38 businesses;

28-39           (2) the number of businesses participating in any  
 28-40 issuance of state bonds by the agency;

28-41           (3) the number of contracts awarded to businesses with  
 28-42 regard to the agency's acquisition, construction, or equipping of a  
 28-43 facility or implementation of a program; and

28-44           (4) the number of bids, proposals, or other applicable  
 28-45 expressions of interest made by historically underutilized  
 28-46 businesses with regard to the agency's acquisition, construction,  
 28-47 or equipping of a facility or implementation of a program.

28-48           (d) A state agency participating in a group purchasing  
 28-49 program shall send to the comptroller [~~commission~~] in the agency's  
 28-50 report under Section 2161.121 a separate list of purchases from  
 28-51 historically underutilized businesses that are made through the  
 28-52 group purchasing program, including the dollar amount of each  
 28-53 purchase allocated to the reporting agency.

28-54           (e) A state agency's report is a record of the agency's  
 28-55 purchases for which the agency selected the vendor. If the vendor  
 28-56 was selected by the comptroller [~~commission~~] as part of its state  
 28-57 contract program, the comptroller [~~commission~~] shall include the  
 28-58 purchase in the comptroller's [~~commission's~~] report of its own  
 28-59 purchases unless the comptroller [~~commission~~] made a sole source  
 28-60 purchase for the agency under Section 2155.067. The state agency  
 28-61 for which the purchase was made shall report the selection of the  
 28-62 vendor on its report as if the agency selected the vendor when the  
 28-63 agency drew specifications for goods or services that are  
 28-64 proprietary to one vendor.

28-65           SECTION 92. Sections 2161.123(a), (c), (d), and (f),  
 28-66 Government Code, are amended to read as follows:

28-67           (a) Each state agency, including the comptroller  
 28-68 [~~commission~~], that is required to have a strategic plan under  
 28-69 Chapter 2056 shall include in its strategic plan a written plan for

29-1 increasing the agency's use of historically underutilized  
 29-2 businesses in purchasing and public works contracting. The  
 29-3 governing board of each university system or institution of higher  
 29-4 education not included in a university system, other than a public  
 29-5 junior college, shall prepare a written plan for increasing the use  
 29-6 of historically underutilized businesses in purchasing and public  
 29-7 works contracting by the system or institution.

29-8 (c) On request, the comptroller [~~commission~~] shall provide  
 29-9 technical assistance to a state agency that is preparing its plan.

29-10 (d) The comptroller [~~commission~~] and the state auditor  
 29-11 shall cooperate to develop procedures providing for random periodic  
 29-12 monitoring of state agency compliance with this section. The state  
 29-13 auditor shall report to the comptroller [~~commission~~] a state agency  
 29-14 that is not complying with this section. In determining whether a  
 29-15 state agency is making a good faith effort to comply, the state  
 29-16 auditor shall consider whether the agency:

29-17 (1) has adopted rules under Section 2161.003;

29-18 (2) has used the comptroller's [~~commission's~~]  
 29-19 directory under Section 2161.064 and other resources to identify  
 29-20 historically underutilized businesses that are able and available  
 29-21 to contract with the agency;

29-22 (3) made good faith, timely efforts to contact  
 29-23 identified historically underutilized businesses regarding  
 29-24 contracting opportunities;

29-25 (4) conducted its procurement program in accordance  
 29-26 with the good faith effort methodology set out in comptroller  
 29-27 [~~commission~~] rules; and

29-28 (5) established goals for contracting with  
 29-29 historically underutilized businesses in each procurement category  
 29-30 based on:

29-31 (A) scheduled fiscal year expenditures; and

29-32 (B) the availability of historically  
 29-33 underutilized businesses in each category as determined by rules  
 29-34 adopted under Section 2161.002.

29-35 (f) If the state auditor reports to the comptroller  
 29-36 [~~commission~~] that a state agency is not complying with this  
 29-37 section, the comptroller [~~commission~~] shall assist the agency in  
 29-38 complying.

29-39 SECTION 93. Sections 2161.124(a) and (b), Government Code,  
 29-40 are amended to read as follows:

29-41 (a) Each state agency, including the comptroller  
 29-42 [~~commission~~], shall prepare a report for each fiscal year  
 29-43 documenting progress under its plan for increasing use of  
 29-44 historically underutilized businesses.

29-45 (b) The comptroller [~~commission~~] shall develop a standard  
 29-46 form for the report.

29-47 SECTION 94. Section 2161.126, Government Code, is amended  
 29-48 to read as follows:

29-49 Sec. 2161.126. EDUCATION AND OUTREACH [~~BY COMMISSION~~].  
 29-50 Before October 15 of each year, the comptroller [~~commission~~] shall  
 29-51 report to the governor, the lieutenant governor, and the speaker of  
 29-52 the house of representatives on the education and training efforts  
 29-53 that the comptroller [~~commission~~] has made toward historically  
 29-54 underutilized businesses. The report must include the following as  
 29-55 related to historically underutilized businesses:

29-56 (1) the comptroller's [~~commission's~~] vision, mission,  
 29-57 and philosophy;

29-58 (2) marketing materials and other educational  
 29-59 materials distributed by the comptroller [~~commission~~];

29-60 (3) the comptroller's [~~commission's~~] policy regarding  
 29-61 education, outreach, and dissemination of information;

29-62 (4) goals that the comptroller [~~commission~~] has  
 29-63 attained during the fiscal year;

29-64 (5) the comptroller's [~~commission's~~] goals,  
 29-65 objectives, and expected outcome measures for each outreach and  
 29-66 education event; and

29-67 (6) the comptroller's [~~commission's~~] planned future  
 29-68 initiatives on education and outreach.

29-69 SECTION 95. Section 2161.127(a), Government Code, is

30-1 amended to read as follows:

30-2 (a) Each state agency must include as part of its  
30-3 legislative appropriations request a detailed report for  
30-4 consideration by the budget committees of the legislature that  
30-5 shows the extent to which the agency complied with this chapter and  
30-6 rules of the comptroller [~~commission~~] adopted under this chapter  
30-7 during the two calendar years preceding the calendar year in which  
30-8 the request is submitted. To the extent the state agency did not  
30-9 comply, the report must demonstrate the reasons for that fact. The  
30-10 extent to which a state agency complies with this chapter and rules  
30-11 of the comptroller [~~commission~~] adopted under this chapter is  
30-12 considered a key performance measure for purposes of the  
30-13 appropriations process.

30-14 SECTION 96. Section 2161.181, Government Code, is amended  
30-15 to read as follows:

30-16 Sec. 2161.181. GOALS FOR PURCHASES OF GOODS AND SERVICES. A  
30-17 state agency, including the comptroller [~~commission~~], shall make a  
30-18 good faith effort to increase the contract awards for the purchase  
30-19 of goods or services that the agency expects to make during a fiscal  
30-20 year to historically underutilized businesses based on rules  
30-21 adopted by the comptroller [~~commission~~] to implement the disparity  
30-22 study described by Section 2161.002(c).

30-23 SECTION 97. Section 2161.182(a), Government Code, is  
30-24 amended to read as follows:

30-25 (a) A state agency that contracts for a construction  
30-26 project, including a project under Section 2166.003, shall make a  
30-27 good faith effort to increase the construction contract awards that  
30-28 the agency expects to make during a fiscal year to historically  
30-29 underutilized businesses based on rules adopted by the comptroller  
30-30 [~~commission~~] to implement the disparity study described by Section  
30-31 2161.002(c).

30-32 SECTION 98. Section 2161.183(a), Government Code, is  
30-33 amended to read as follows:

30-34 (a) Not later than the 60th day of its fiscal year, a state  
30-35 agency, including the comptroller [~~commission~~]:

30-36 (1) shall estimate the total value of contract awards  
30-37 the agency expects to make for that fiscal year that are subject to  
30-38 Section 2161.181; and

30-39 (2) shall estimate the total value of contract awards  
30-40 the agency expects to make for that fiscal year under Chapter 2166.

30-41 SECTION 99. Section 2161.253(e), Government Code, is  
30-42 amended to read as follows:

30-43 (e) The comptroller [~~commission~~] shall adopt rules to  
30-44 administer this subchapter.

30-45 SECTION 100. Sections 2163.001, 2163.0011, 2163.002,  
30-46 2163.003, and 2163.004, Government Code, are amended to read as  
30-47 follows:

30-48 Sec. 2163.001. REVIEW PROCESS. (a) The comptroller  
30-49 [~~commission~~] shall develop a systematic review process to identify  
30-50 commercially available services being performed by the comptroller  
30-51 [~~commission~~] and study the services to determine if they may be  
30-52 better provided by other state agency providers of the services or  
30-53 private commercial sources.

30-54 (b) In reviewing its services, the comptroller [~~commission~~]  
30-55 shall:

30-56 (1) determine whether competitive vendors exist in the  
30-57 private sector;

30-58 (2) compare the cost of contracting for the services  
30-59 from other state agency providers of the services or private  
30-60 commercial sources to the comptroller's [~~commission's~~] cost of  
30-61 performing the services; and

30-62 (3) document cost savings from contracting for the  
30-63 services from other state agency providers of the services or  
30-64 private commercial sources.

30-65 (c) Each commercially available service performed by the  
30-66 comptroller [~~commission~~] shall be reviewed at least once every six  
30-67 years.

30-68 Sec. 2163.0011. COMPTROLLER POWERS AND [TRANSFER OF]  
30-69 DUTIES [; REFERENCE]. [(a)] The comptroller has under this chapter

31-1 ~~the powers and duties described by Section 2151.004(d) [of the~~  
 31-2 ~~commission under this chapter are transferred to the comptroller].~~

31-3 ~~[(b) In this chapter, a reference to the commission means~~  
 31-4 ~~the comptroller.]~~

31-5 Sec. 2163.002. COST COMPARISON AND CONTRACT  
 31-6 CONSIDERATIONS. (a) The comptroller [~~commission~~] shall consider  
 31-7 all of its direct and indirect costs in determining the cost of  
 31-8 providing a service.

31-9 (b) In comparing the cost of providing a service, the  
 31-10 comptroller [~~commission~~] must include the:

31-11 (1) cost of supervising the work of a private  
 31-12 contractor; and

31-13 (2) cost to the state of the comptroller's  
 31-14 [~~commission's~~] performance of the service, including:

31-15 (A) the costs of the office of the attorney  
 31-16 general and other support agencies; and

31-17 (B) other indirect costs related to the  
 31-18 comptroller's [~~commission's~~] performance of the service.

31-19 Sec. 2163.003. CONTRACTING WITH ANOTHER STATE AGENCY OR  
 31-20 PRIVATE SOURCE. (a) If the comptroller [~~commission~~] determines  
 31-21 that a service can be performed with a comparable or better level of  
 31-22 quality at a savings to the state of at least 10 percent by using  
 31-23 other state agency providers of the service or a private commercial  
 31-24 source, the comptroller [~~commission~~] may contract with other state  
 31-25 agency providers of the services or private commercial sources for  
 31-26 the service.

31-27 (b) The comptroller [~~commission~~] maintains responsibility  
 31-28 for providing a contracted service and shall set measurable  
 31-29 performance standards for a contractor.

31-30 Sec. 2163.004. PROHIBITION. The comptroller [~~commission~~]  
 31-31 may not begin providing a service the General Services Commission  
 31-32 did not provide as of September 1, 2001, unless, after conducting an  
 31-33 in-depth analysis on cost in accordance with Section 2163.002 and  
 31-34 on availability of a service, the comptroller [~~commission~~]  
 31-35 determines that it can perform the service at a higher level of  
 31-36 quality or at a lower cost than other state agency providers of the  
 31-37 service or private commercial sources.

31-38 SECTION 101. Sections 2171.001 and 2171.0011, Government  
 31-39 Code, are amended to read as follows:

31-40 Sec. 2171.001. TRAVEL DIVISION. The travel division of the  
 31-41 comptroller [~~commission~~] is composed of the central travel office  
 31-42 and the office of vehicle fleet management.

31-43 Sec. 2171.0011. COMPTROLLER POWERS AND [TRANSFER OF]  
 31-44 DUTIES [, REFERENCE]. [(a)] ~~The comptroller has under this chapter~~  
 31-45 ~~the powers and duties described by Section 2151.004(d) [of the~~  
 31-46 ~~commission under this chapter are transferred to the comptroller].~~

31-47 ~~[(b) In this chapter, a reference to the commission means~~  
 31-48 ~~the comptroller.]~~

31-49 SECTION 102. Section 2171.051(c), Government Code, is  
 31-50 amended to read as follows:

31-51 (c) After approval by the comptroller [~~executive director~~],  
 31-52 the central travel office shall designate state agencies that may  
 31-53 use the services of the office. The comptroller [~~executive~~  
 31-54 ~~director~~] shall approve the use of those services by the designated  
 31-55 state agencies after the director of the travel division certifies  
 31-56 to the comptroller [~~executive director~~] that the central travel  
 31-57 office is capable of providing those services.

31-58 SECTION 103. Sections 2171.052(c) and (d), Government Code,  
 31-59 are amended to read as follows:

31-60 (c) The comptroller [~~commission~~] may make contracts with  
 31-61 travel agents that meet certain reasonable requirements prescribed  
 31-62 by the central travel office, with preference given to resident  
 31-63 entities of this state.

31-64 (d) To the greatest extent possible, the comptroller  
 31-65 [~~commission~~] shall use electronic means to solicit and receive bids  
 31-66 under this section.

31-67 SECTION 104. Sections 2171.055(a), (b), (c), (d), (e), (f),  
 31-68 (g), (h), and (j), Government Code, are amended to read as follows:

31-69 (a) State agencies in the executive branch of state

32-1 government shall participate under comptroller [~~commission~~] rules  
 32-2 in the comptroller's [~~commission's~~] contracts for travel services,  
 32-3 provided that all travel agents approved by the comptroller  
 32-4 [~~commission~~] are permitted to contract with the state and provide  
 32-5 travel services to all state agencies.

32-6 (b) An institution of higher education as defined by Section  
 32-7 61.003, Education Code, is not required to participate in the  
 32-8 comptroller's [~~commission's~~] contracts for travel agency services  
 32-9 or other travel services purchased from funds other than general  
 32-10 revenue funds or educational and general funds as defined by  
 32-11 Section 51.009, Education Code. The Employees Retirement System of  
 32-12 Texas is not required to participate in the comptroller's  
 32-13 [~~commission's~~] contracts for travel agency services or other travel  
 32-14 services purchased from funds other than general revenue funds.

32-15 (c) The comptroller [~~commission~~] may provide by rule for  
 32-16 exemptions from required participation.

32-17 (d) Agencies of the state that are not required to  
 32-18 participate in comptroller [~~commission~~] contracts for travel  
 32-19 services may participate as provided by Section 2171.051.

32-20 (e) A county officer or employee who is engaged in official  
 32-21 county business may participate in the comptroller's [~~commission's~~]  
 32-22 contract for travel services for the purpose of obtaining reduced  
 32-23 airline fares and reduced travel agent fees. A county sheriff or  
 32-24 deputy sheriff or juvenile probation officer who is transporting a  
 32-25 state prisoner under a felony warrant may participate in the  
 32-26 comptroller's [~~commission's~~] contract for travel services for  
 32-27 purposes of obtaining reduced airline fares and reduced travel  
 32-28 agent fees for the law enforcement or probation officer and the  
 32-29 prisoner. The comptroller [~~commission~~] may charge a participating  
 32-30 county a fee not to exceed the costs incurred by the comptroller  
 32-31 [~~commission~~] in providing services under this subsection. The  
 32-32 comptroller [~~commission~~] shall periodically review fees and shall  
 32-33 adjust them as needed to ensure recovery of costs incurred in  
 32-34 providing services to counties under this subsection. The  
 32-35 comptroller [~~commission~~] shall deposit the fees collected under  
 32-36 this subsection to the credit of the county airline fares account.  
 32-37 The county airline fares account is an account in the general  
 32-38 revenue fund that may be appropriated only for the purposes of this  
 32-39 chapter. The comptroller [~~commission~~] shall adopt rules and make  
 32-40 or amend contracts as necessary to administer this subsection.

32-41 (f) An officer or employee of a public junior college, as  
 32-42 defined by Section 61.003, Education Code, of an open-enrollment  
 32-43 charter school established under Subchapter D, Chapter 12,  
 32-44 Education Code, or of a school district who is engaged in official  
 32-45 business may participate in the comptroller's [~~commission's~~]  
 32-46 contract for travel services. The comptroller [~~commission~~] may  
 32-47 charge a participating public junior college, open-enrollment  
 32-48 charter school, or school district a fee not to exceed the costs  
 32-49 incurred by the comptroller [~~commission~~] in providing services  
 32-50 under this subsection. The comptroller [~~commission~~] shall  
 32-51 periodically review fees and shall adjust them as needed to ensure  
 32-52 recovery of costs incurred in providing services to public junior  
 32-53 colleges, open-enrollment charter schools, and school districts  
 32-54 under this subsection. The comptroller [~~commission~~] shall deposit  
 32-55 the fees collected under this subsection to the credit of the public  
 32-56 education travel account. The public education travel account is  
 32-57 an account in the general revenue fund that may be appropriated only  
 32-58 for the purposes of this chapter. The comptroller [~~commission~~]  
 32-59 shall adopt rules and make or amend contracts as necessary to  
 32-60 administer this subsection.

32-61 (g) A municipal officer or employee who is engaged in  
 32-62 official municipal business may participate in the comptroller's  
 32-63 [~~commission's~~] contract for travel services for the purpose of  
 32-64 obtaining reduced airline fares and reduced travel agent fees. The  
 32-65 comptroller [~~commission~~] may charge a participating municipality a  
 32-66 fee not to exceed the costs incurred by the comptroller  
 32-67 [~~commission~~] in providing services under this subsection. The  
 32-68 comptroller [~~commission~~] shall periodically review fees and shall  
 32-69 adjust them as needed to ensure recovery of costs incurred in

33-1 providing services to municipalities under this subsection. The  
 33-2 comptroller [~~commission~~] shall deposit the fees collected under  
 33-3 this subsection to the credit of the municipality airline fares  
 33-4 account. The municipality airline fares account is an account in  
 33-5 the general revenue fund that may be appropriated only for the  
 33-6 purposes of this chapter. The comptroller [~~commission~~] shall adopt  
 33-7 rules and make or amend contracts as necessary to administer this  
 33-8 subsection.

33-9 (h) A board member or employee of a communication district  
 33-10 or an emergency communication district established under Chapter  
 33-11 772, Health and Safety Code, who is engaged in official district  
 33-12 business may participate in the comptroller's [~~commission's~~]  
 33-13 contract for travel services for the purpose of obtaining reduced  
 33-14 airline fares and reduced travel agent fees. The comptroller  
 33-15 [~~commission~~] may charge a participating district a fee not to  
 33-16 exceed the costs incurred by the comptroller [~~commission~~] in  
 33-17 providing services under this subsection. The comptroller  
 33-18 [~~commission~~] shall periodically review fees and shall adjust them  
 33-19 as needed to ensure recovery of costs incurred in providing  
 33-20 services to districts under this subsection. The comptroller  
 33-21 [~~commission~~] shall deposit the fees collected under this subsection  
 33-22 to the credit of the emergency communication district airline fares  
 33-23 account. The emergency communication district airline fares  
 33-24 account is an account in the general revenue fund that may be  
 33-25 appropriated only for the purposes of this chapter. The  
 33-26 comptroller [~~commission~~] shall adopt rules and make or amend  
 33-27 contracts as necessary to administer this subsection.

33-28 (j) An officer or employee of a hospital district created  
 33-29 under general or special law who is engaged in official hospital  
 33-30 district business may participate in the comptroller's  
 33-31 [~~commission's~~] contract for travel services for the purpose of  
 33-32 obtaining reduced airline fares and reduced travel agent fees. The  
 33-33 comptroller [~~commission~~] may charge a participating hospital  
 33-34 district a fee not to exceed the costs incurred by the comptroller  
 33-35 [~~commission~~] in providing services under this subsection. The  
 33-36 comptroller [~~commission~~] shall periodically review fees and shall  
 33-37 adjust them as needed to ensure recovery of costs incurred in  
 33-38 providing services to hospital districts under this subsection.  
 33-39 The comptroller [~~commission~~] shall deposit the fees collected under  
 33-40 this subsection to the credit of the hospital district airline  
 33-41 fares account. The hospital district airline fares account is an  
 33-42 account in the general revenue fund that may be appropriated only  
 33-43 for the purposes of this chapter. The comptroller [~~commission~~]  
 33-44 shall adopt rules and make or amend contracts as necessary to  
 33-45 administer this subsection.

33-46 SECTION 105. Sections 2171.056(a), (b), and (c), Government  
 33-47 Code, are amended to read as follows:

33-48 (a) This section applies only to a state agency in the  
 33-49 executive branch of state government that is required to  
 33-50 participate in the comptroller's [~~commission's~~] contracts for  
 33-51 travel services.

33-52 (b) Except as provided by comptroller [~~commission~~] rule, a  
 33-53 state agency may not:

33-54 (1) purchase commercial airline or rental car  
 33-55 transportation if the amount of the purchase exceeds the amount of  
 33-56 the central travel office's contracted fares or rates; or

33-57 (2) reimburse a person for the purchase of commercial  
 33-58 airline or rental car transportation for the amount that exceeds  
 33-59 the amount of the central travel office's contracted fares or  
 33-60 rates.

33-61 (c) The comptroller [~~commission~~] shall educate state  
 33-62 agencies about this section.

33-63 SECTION 106. Section 2171.104(d), Government Code, is  
 33-64 amended to read as follows:

33-65 (d) The Texas Facilities Commission [~~commission~~] shall  
 33-66 require a state agency to transfer surplus or salvage vehicles  
 33-67 identified by the management plan to the Texas Facilities  
 33-68 Commission [~~commission~~] and shall sell or dispose of the vehicles  
 33-69 in accordance with the provisions of Chapter 2175 that provide for

34-1 disposition of surplus or salvage property by the Texas Facilities  
 34-2 Commission [~~commission~~].

34-3 SECTION 107. The heading to Chapter 2172, Government Code,  
 34-4 is amended to read as follows:

34-5 CHAPTER 2172. MISCELLANEOUS GENERAL SERVICES PROVIDED BY  
 34-6 COMPTROLLER [~~COMMISSION~~]

34-7 SECTION 108. Sections 2172.001, 2172.0011, and 2172.002,  
 34-8 Government Code, are amended to read as follows:

34-9 Sec. 2172.001. CENTRAL SUPPLY STORE. The comptroller  
 34-10 [~~commission~~] may operate a central supply store at which only state  
 34-11 agencies, the legislature, and legislative agencies may obtain  
 34-12 small supply items. If the comptroller [~~commission~~] operates a  
 34-13 central supply store, the comptroller [~~commission~~] shall devise an  
 34-14 appropriate method of billing a using entity for the supplies.

34-15 Sec. 2172.0011. COMPTROLLER POWERS AND [~~TRANSFER OF~~]  
 34-16 DUTIES [~~, REFERENCE~~]. [~~(a)~~] The comptroller has under this chapter  
 34-17 the powers and duties described by Section 2151.004(d) [~~of the~~  
 34-18 ~~commission under this chapter are transferred to the comptroller~~].

34-19 [~~(b) In this chapter, a reference to the commission means~~  
 34-20 ~~the comptroller.~~]

34-21 Sec. 2172.002. BUSINESS MACHINE REPAIR. (a) The  
 34-22 comptroller [~~commission~~] may maintain a facility for repairing  
 34-23 office machines and may offer repair services to the following  
 34-24 entities located in Austin:

- 34-25 (1) state agencies;
- 34-26 (2) the legislature; and
- 34-27 (3) legislative agencies.

34-28 (b) Using entities shall pay the comptroller [~~commission~~]  
 34-29 for repair services by vouchers prepared and sent to the using  
 34-30 entity by the comptroller [~~commission~~].

34-31 (c) The comptroller [~~commission~~] may not repair or maintain  
 34-32 a privately owned machine.

34-33 SECTION 109. Sections 2172.003(a), (b), and (c), Government  
 34-34 Code, are amended to read as follows:

34-35 (a) The comptroller [~~commission~~] may:

- 34-36 (1) assist a state agency with the agency's printing  
 34-37 activities; and
- 34-38 (2) assess and evaluate those activities.

34-39 (b) The comptroller [~~commission~~] may recommend changes  
 34-40 intended to increase the productivity and cost-effectiveness of  
 34-41 printing operations of state agencies. Recommendations may be  
 34-42 reported periodically as provided by comptroller [~~to the~~  
 34-43 ~~appropriate associate deputy director under commission~~] rules.

34-44 (c) The comptroller [~~commission~~] may:

- 34-45 (1) adopt standard accounting procedures that permit  
 34-46 evaluating and comparing the costs of printing operations conducted  
 34-47 by state agencies;
- 34-48 (2) coordinate activities among state print shops;
- 34-49 (3) review state agency requisitions for new printing  
 34-50 shop equipment;
- 34-51 (4) assist state agencies in expediting the production  
 34-52 of printing and graphic arts;
- 34-53 (5) maintain a roster of state print shops and their  
 34-54 equipment, facilities, and special capabilities;
- 34-55 (6) serve as a clearinghouse for private vendors of  
 34-56 printing services to ensure that printing services and supplies are  
 34-57 purchased in the most efficient and economical manner;
- 34-58 (7) coordinate the consolidation of print shops  
 34-59 operated by state agencies when the agencies involved determine  
 34-60 that consolidation is appropriate; and
- 34-61 (8) develop procedures for the recovery of the  
 34-62 comptroller's [~~commission's~~] reasonable costs under Chapter 317  
 34-63 from amounts appropriated to the state agencies for which  
 34-64 identified savings are achieved.

34-65 SECTION 110. Sections 2172.004 and 2172.005, Government  
 34-66 Code, are amended to read as follows:

34-67 Sec. 2172.004. ARCHIVES. The comptroller [~~commission~~] may  
 34-68 store and display the archives of Texas.

34-69 Sec. 2172.005. DONATIONS. The comptroller [~~commission~~] may

35-1 solicit and accept private donations for the Congress Avenue  
 35-2 beautification program, a capital improvements project in Austin.  
 35-3 The program includes improvements in the Capitol Complex [~~capitol~~  
 35-4 ~~complex~~] generally north of the Capitol along either side of  
 35-5 Congress Avenue.

35-6 SECTION 111. Sections 2172.006(a), (b), and (d), Government  
 35-7 Code, are amended to read as follows:

35-8 (a) Notwithstanding any other provision of law, the  
 35-9 comptroller [~~commission~~] may negotiate and contract with a  
 35-10 privately owned business entity for the design and manufacture of:

35-11 (1) an official state lapel pin for purchase by  
 35-12 members and former members of the house of representatives;

35-13 (2) an official state lapel pin for purchase by  
 35-14 members and former members of the senate;

35-15 (3) an official state ring for purchase by members and  
 35-16 former members of the house of representatives; and

35-17 (4) an official state ring for purchase by members and  
 35-18 former members of the senate.

35-19 (b) The comptroller [~~commission~~] must submit any design of  
 35-20 an official state lapel pin or ring to the State Preservation Board  
 35-21 for its approval.

35-22 (d) The comptroller [~~commission~~] by rule shall establish  
 35-23 the purchase price for a lapel pin or ring. After payment of  
 35-24 amounts required under the contract and recovery of its costs of  
 35-25 administering this section, the comptroller [~~commission~~] shall  
 35-26 deposit any remaining funds received from the sale of items under  
 35-27 this section to the credit of the Texas preservation trust fund.

35-28 SECTION 112. Sections 2176.0011, 2176.003, and 2176.004,  
 35-29 Government Code, are amended to read as follows:

35-30 Sec. 2176.0011. COMPTROLLER POWERS AND [~~TRANSFER OF~~]  
 35-31 DUTIES [~~, REFERENCE~~]. [~~(a)~~] The comptroller has under this chapter  
 35-32 the powers and duties described by Section 2151.004(d) [~~of the~~  
 35-33 ~~commission under this chapter are transferred to the comptroller~~].

35-34 [~~(b) In this chapter, a reference to the commission means~~  
 35-35 ~~the comptroller.~~]

35-36 Sec. 2176.003. [~~COMMISSION~~] EVALUATION OF STATE AGENCY MAIL  
 35-37 OPERATIONS. The comptroller [~~commission~~] shall:

35-38 (1) evaluate the mail operations of state agencies  
 35-39 located in Travis County and make recommendations to identify and  
 35-40 eliminate practices resulting in excessive mail costs; and

35-41 (2) establish minimum objectives and responsibilities  
 35-42 for managing mail for the agencies.

35-43 Sec. 2176.004. [~~COMMISSION~~] PROCEDURES FOR IMPROVEMENT OF  
 35-44 MAIL OPERATIONS. The comptroller [~~commission~~] shall:

35-45 (1) in conjunction with the United States Postal  
 35-46 Service, establish procedures to improve the measurement of state  
 35-47 agency mail costs, using postage meters or stamps as appropriate;

35-48 (2) establish procedures to determine the advantages  
 35-49 to state agencies of presorting mail;

35-50 (3) establish procedures to determine the lowest cost  
 35-51 class of mail necessary to effectively accomplish individual state  
 35-52 agency functions;

35-53 (4) evaluate the cost-effectiveness of using  
 35-54 alternatives to the United States Postal Service for delivering  
 35-55 state agency mail;

35-56 (5) train state agency personnel regarding  
 35-57 cost-effective mailing practices;

35-58 (6) set standards for receipt, delivery, collection,  
 35-59 and dispatch of mail; and

35-60 (7) publish and disseminate standards, guides, and  
 35-61 instructions for managing mail and establish and implement  
 35-62 procedures for monitoring compliance with the standards, guides,  
 35-63 and instructions.

35-64 SECTION 113. Section 2176.051(a), Government Code, is  
 35-65 amended to read as follows:

35-66 (a) The comptroller [~~commission~~] shall operate a messenger  
 35-67 service for delivering unstamped written communications and  
 35-68 packages between the following entities located in Travis County:

35-69 (1) state agencies;

36-1 (2) the legislature; and  
 36-2 (3) legislative agencies.

36-3 SECTION 114. Sections 2176.102, 2176.103, 2176.104,  
 36-4 2176.105, 2176.106, and 2176.107, Government Code, are amended to  
 36-5 read as follows:

36-6 Sec. 2176.102. [~~COMMISSION~~] EVALUATION. The comptroller  
 36-7 [~~commission~~] shall evaluate the outgoing first-class mail  
 36-8 practices of state agencies located in Travis County, including the  
 36-9 lists, systems, and formats used to create mail.

36-10 Sec. 2176.103. DISCOUNTED POSTAL RATES. The comptroller  
 36-11 [~~commission~~] shall achieve the maximum available discount on postal  
 36-12 rates whenever acceptable levels of timeliness, security, and  
 36-13 quality of service can be maintained using the discounted rate.

36-14 Sec. 2176.104. REQUIREMENT TO CONSULT WITH COMPTROLLER  
 36-15 [~~COMMISSION~~]. A state agency to which this subchapter applies  
 36-16 shall consult the comptroller [~~commission~~] before the agency may:

36-17 (1) purchase, upgrade, or sell mail processing  
 36-18 equipment;

36-19 (2) contract with a private entity for mail  
 36-20 processing; or

36-21 (3) take actions that significantly affect the  
 36-22 agency's first-class mail practices.

36-23 Sec. 2176.105. GUIDELINES FOR MEASURING AND ANALYZING  
 36-24 FIRST-CLASS MAIL PRACTICES. (a) The comptroller [~~commission~~]  
 36-25 shall adopt and distribute to each state agency to which this  
 36-26 subchapter applies guidelines by which outgoing first-class mail  
 36-27 practices may be measured and analyzed. The guidelines must require  
 36-28 using the services of the United States Postal Service to the extent  
 36-29 possible.

36-30 (b) The comptroller [~~commission~~] shall review and update  
 36-31 the guidelines at least once every two years, beginning two years  
 36-32 after the date on which the guidelines are adopted.

36-33 Sec. 2176.106. TRAINING. (a) Not later than the 90th day  
 36-34 after the date on which the initial guidelines under Section  
 36-35 2176.105 are distributed, and at least annually beginning one year  
 36-36 after the date of distribution, the comptroller [~~commission~~] shall  
 36-37 provide training to state agency personnel who handle first-class  
 36-38 mail.

36-39 (b) The comptroller [~~commission~~] may use to the extent  
 36-40 possible free training provided by the United States Postal  
 36-41 Service.

36-42 Sec. 2176.107. PREREQUISITE TO UPGRADING OR REPLACING MAIL  
 36-43 EQUIPMENT; COMPARISON AND ANALYSIS. (a) If the comptroller  
 36-44 [~~commission~~] determines that upgrading existing mail production or  
 36-45 processing equipment or purchasing new mail production or  
 36-46 processing equipment is required to improve outgoing first-class  
 36-47 mail practices of the comptroller [~~commission~~] or another state  
 36-48 agency located in Travis County, the comptroller [~~commission~~] shall  
 36-49 prepare a cost-benefit analysis demonstrating that the upgrade or  
 36-50 purchase is more cost-effective than contracting with a private  
 36-51 entity to provide the equipment or mail service.

36-52 (b) The comptroller [~~commission~~] shall approve the most  
 36-53 cost-effective method.

36-54 SECTION 115. The heading to Section 2176.109, Government  
 36-55 Code, is amended to read as follows:

36-56 Sec. 2176.109. FEES FOR COMPTROLLER [~~COMMISSION~~] SERVICES.

36-57 SECTION 116. Sections 2176.109(a) and (c), Government Code,  
 36-58 are amended to read as follows:

36-59 (a) The comptroller [~~commission~~] by interagency contract  
 36-60 shall charge and collect fees from each state agency to which this  
 36-61 subchapter applies for the comptroller's [~~commission's~~] services  
 36-62 under this subchapter.

36-63 (c) The comptroller [~~commission~~] shall transfer to the  
 36-64 general revenue fund the amount of a fee charged a state agency  
 36-65 under this section that is greater than the amount of the  
 36-66 comptroller's [~~commission's~~] actual expenses for performing the  
 36-67 services for the agency.

36-68 SECTION 117. Sections 2176.152 and 2176.203, Government  
 36-69 Code, are amended to read as follows:

37-1           Sec. 2176.152. PROCESSING UNITED STATES MAIL IN CAPITOL  
 37-2 COMPLEX. United States mail may be delivered to and from the post  
 37-3 office located in the Capitol Complex [~~capitol complex~~] on  
 37-4 agreement between the comptroller [~~commission~~] and the affected  
 37-5 agency.

37-6           Sec. 2176.203. NOTIFICATION OF SERVICE OPTIONS. The  
 37-7 comptroller [~~commission~~] shall, as part of the guidelines developed  
 37-8 under Section 2176.105, provide information to state agencies about  
 37-9 special mail services offered by the United States Postal Service.  
 37-10 The comptroller [~~commission~~] shall assist a state agency in  
 37-11 determining which service to use, considering the state agency's  
 37-12 needs for accountability, timeliness, security, and quality of  
 37-13 service.

37-14           SECTION 118. Section 2254.007(b), Government Code, is  
 37-15 amended to read as follows:

37-16           (b) This section does not apply to the enforcement of a  
 37-17 contract entered into by a state agency as that term is defined by  
 37-18 Section 2151.002. In this subsection, "state agency" includes the  
 37-19 Texas Facilities [~~Building and Procurement~~] Commission and the  
 37-20 comptroller.

37-21           SECTION 119. Section 2262.0011, Government Code, is amended  
 37-22 to read as follows:

37-23           Sec. 2262.0011. COMPTROLLER POWERS AND [~~TRANSFER OF~~]  
 37-24 DUTIES [~~, REFERENCE~~]. [~~(a)~~] The comptroller has under this chapter  
 37-25 the powers and duties described by Section 2151.004(d) [~~of the~~]  
 37-26 commission under this chapter are transferred to the comptroller.

37-27           [~~(b) In this chapter, a reference to the commission means~~  
 37-28 ~~the comptroller.~~]

37-29           SECTION 120. Sections 2262.051(a) and (b), Government Code,  
 37-30 are amended to read as follows:

37-31           (a) In consultation with the attorney general, the  
 37-32 Department of Information Resources, [~~the comptroller,~~] and the  
 37-33 state auditor, the comptroller [~~commission~~] shall develop or  
 37-34 periodically update a contract management guide for use by state  
 37-35 agencies. Participation by the state auditor under this subsection  
 37-36 is subject to approval by the legislative audit committee for  
 37-37 inclusion in the audit plan under Section 321.013(c).

37-38           (b) The comptroller [~~commission~~] may adopt rules necessary  
 37-39 to develop or update the guide.

37-40           SECTION 121. Section 2262.054, Government Code, is amended  
 37-41 to read as follows:

37-42           Sec. 2262.054. PUBLIC COMMENT. The comptroller  
 37-43 [~~commission~~] by rule may establish procedures by which each state  
 37-44 agency is required to invite public comment by publishing the  
 37-45 proposed technical specifications for major contracts on the  
 37-46 Internet through the information service known as the Texas  
 37-47 Marketplace or through a suitable successor information service.  
 37-48 The guide must define "technical specifications."

37-49           SECTION 122. Section 361.965(e), Health and Safety Code, is  
 37-50 amended to read as follows:

37-51           (e) The comptroller [~~Texas Building and Procurement~~  
 37-52 ~~Commission~~] and the Department of Information Resources shall adopt  
 37-53 rules to implement this section.

37-54           SECTION 123. Section 195.008(b), Local Government Code, is  
 37-55 amended to read as follows:

37-56           (b) The committee consists of:

37-57           (1) the following persons appointed by the director  
 37-58 and librarian:

37-59                   (A) one person who is employed by or is an officer  
 37-60 of a title insurance agent or title insurance company;

37-61                   (B) an officer or employee of a federal  
 37-62 government-sponsored entity;

37-63                   (C) a person who as a usual business practice  
 37-64 obtains copies of recorded instruments from a county clerk to  
 37-65 maintain an abstract or title plant; and

37-66                   (D) a public representative;

37-67           (2) two persons who are county judges or county  
 37-68 commissioners appointed by the County Judges and Commissioners  
 37-69 Association of Texas;

38-1 (3) four county clerks appointed by the County and  
38-2 District Clerks' Association of Texas;

38-3 (4) three persons who are employed by or officers of  
38-4 different title insurance agents or companies appointed by the  
38-5 Texas Land Title Association;

38-6 (5) the presiding officer of the Title Insurance  
38-7 Subcommittee of the Real Estate, Probate, and Trust Law section of  
38-8 the State Bar of Texas or the functional equivalent of that  
38-9 subcommittee;

38-10 (6) the attorney general or a person designated by the  
38-11 attorney general;

38-12 (7) the comptroller or a person designated by the  
38-13 comptroller;

38-14 (8) the executive director of the Texas Facilities  
38-15 [~~General Services~~] Commission or a person designated by the  
38-16 executive director;

38-17 (9) the executive director of the Department of  
38-18 Information Resources or a person designated by the executive  
38-19 director; and

38-20 (10) the director and librarian or a person designated  
38-21 by the director and librarian, who also serves as presiding officer  
38-22 of the committee.

38-23 SECTION 124. Sections 263.152(a) and (a-1), Local  
38-24 Government Code, are amended to read as follows:

38-25 (a) The commissioners court of a county may:

38-26 (1) periodically sell the county's surplus or salvage  
38-27 property by competitive bid or auction, except that competitive  
38-28 bidding or an auction is not necessary if the purchaser is another  
38-29 county or a political subdivision within the county that is selling  
38-30 the surplus or salvage property;

38-31 (2) offer the property as a trade-in for new property  
38-32 of the same general type if the commissioners court considers that  
38-33 action to be in the best interests of the county;

38-34 (3) order any of the property to be destroyed or  
38-35 otherwise disposed of as worthless if the commissioners court  
38-36 undertakes to sell that property under Subdivision (1) and is  
38-37 unable to do so because no bids are made;

38-38 (4) dispose of the property by donating it to a civic  
38-39 or charitable organization located in the county if the  
38-40 commissioners court determines that:

38-41 (A) undertaking to sell the property under  
38-42 Subdivision (1) would likely result in no bids or a bid price that  
38-43 is less than the county's expenses required for the bid process;

38-44 (B) the donation serves a public purpose; and

38-45 (C) the organization will provide the county with  
38-46 adequate consideration, such as relieving the county of  
38-47 transportation or disposal expenses related to the property;

38-48 (5) transfer gambling equipment in the possession of  
38-49 the county following its forfeiture to the state to the Texas  
38-50 Facilities [~~Building and Procurement~~] Commission for sale under  
38-51 Section 2175.904, Government Code; or

38-52 (6) order any vehicle retired under a program designed  
38-53 to encourage the use of low-emission vehicles to be crushed and  
38-54 recycled, if practicable, without a competitive bid or auction.

38-55 (a-1) The commissioners court shall remit money received  
38-56 from the Texas Facilities [~~Building and Procurement~~] Commission  
38-57 from the sale of gambling equipment under Section 2175.904(c),  
38-58 Government Code, less administrative expenses incurred by the  
38-59 county in connection with the transfer and sale of the equipment, to  
38-60 the local law enforcement agency that originally seized the  
38-61 equipment.

38-62 SECTION 125. Sections 31.157(b) and (c), Natural Resources  
38-63 Code, are amended to read as follows:

38-64 (b) The draft report shall be submitted to the Texas  
38-65 Facilities [~~Building and Procurement~~] Commission, which shall  
38-66 further evaluate the potential use of the real property by another  
38-67 state agency. The land office shall submit a draft report to each  
38-68 agency that owns or holds in trust property that is the subject of  
38-69 the draft report. The Texas Facilities [~~Building and Procurement~~]

39-1 Commission may make additional recommendations regarding the use of  
39-2 the real property. The state agency that owns or controls real  
39-3 property named in the report may comment on any findings or  
39-4 recommendations made by the commissioner. The Texas Facilities  
39-5 [~~Building and Procurement~~] Commission and any state agency that  
39-6 owns or controls real property named in the report shall complete a  
39-7 review of the draft report within 60 days of the receipt of the  
39-8 report and forward all recommendations and comments to the  
39-9 commissioner.

39-10 (c) The commissioner shall prepare and issue a final  
39-11 evaluation report that incorporates any recommendations of the  
39-12 Texas Facilities [~~Building and Procurement~~] Commission regarding  
39-13 the potential use of the real property by another state agency and  
39-14 any comments from any state agency that owns or controls property  
39-15 named in the report.

39-16 SECTION 126. The following provisions of the Government  
39-17 Code are repealed:

- 39-18 (1) Section 2170.0011;
- 39-19 (2) Section 2170.0012; and
- 39-20 (3) Section 2262.001(1-a).

39-21 SECTION 127. This Act takes effect September 1, 2019.

39-22

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