

**SUBJECT:** Revising process for state agency proprietary purchases

**COMMITTEE:** State Affairs — favorable, without amendment

**VOTE:** 12 ayes — Paddie, Hernandez, Deshotel, Harless, Howard, Hunter, P. King, Lucio, Metcalf, Raymond, Shaheen, Slawson

0 nays

1 absent — Smithee

**WITNESSES:** For — None

Against — None

On — Bobby Pounds, Comptroller of Public Accounts

**BACKGROUND:** Government Code sec. 2155.066 requires the comptroller to review the specifications and purchase conditions of goods or services considered for purchase. If after that review the comptroller finds the specifications and conditions describe a product that is proprietary to one vendor, sec. 2155.067 requires the requesting state agency to justify in writing the specifications or conditions.

The agency head or presiding officer of the agency's governing body must sign the written justification, which must explain the need for the specifications, state the reason competing products are not satisfactory, and provide other information requested by the comptroller.

The comptroller has to issue an invitation to bid to vendors within 20 days of receiving the required written justification.

Some suggest the short time period between receiving a written justification from a state agency for a proprietary purchase and issuing a solicitation for bids has resulted in an inability to fully examine the requested purchase to ensure taxpayer dollars were wisely spent.

**DIGEST:** HB 1817 would remove the requirement that the comptroller issue an invitation to bid to vendors within 20 days of receiving a written justification from a state agency requesting to purchase a proprietary product. Instead, on receipt of the written justification and any other required documentation and on approval of the purchase request, the comptroller would have to proceed with the purchase for the requesting agency or delegate authority to the agency to purchase the product.

The bill also would expand the persons who could sign the written justification. The agency head or presiding officer of the agency's governing body could designate another person to sign the justification for the agency.

The bill would take effect September 1, 2021.