BILL ANALYSIS

Senate Research Center 82R29051 CJC-F

C.S.H.B. 3395 By: Callegari (Lucio) Government Organization 5/16/2011 Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Current law requires the Texas Facilities Commission (TFC) and state agencies to give preference to the purchase of recycled products, including recycled paper, motor oil, and lubricants that contain at least 25 percent recycled oil. These preferences for recycled products sometimes require that state agencies purchase more expensive items. For example, a ream of generic, non-recycled paper (500 sheets) can cost approximately \$7.49 through a major office retailer. That same retailer offers reams of 30 percent recycled paper at approximately \$9.49 each, 50 percent recycled paper at approximately \$10.49 each, and 100 percent recycled paper at approximately \$11.49. Other recycled products can also command a premium. As an example, a regular picnic table may cost around \$700, whereas a park picnic table constructed out of recycled materials may cost between \$850 and \$1,000.

The bill makes the current requirement that TFC and state agencies purchase recycled materials permissive. The bill would maintain the state's authorization to purchase recycled goods, but remove the mandate that agencies purchase items that may command a premium.

C.S.H.B. 3395 amends current law relating to state purchasing preferences for recycled products and to the efficient operation of certain telecommunications entities.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 2155.445(a), Government Code, to require the comptroller of public accounts (comptroller) to give preference to recycled, remanufactured, or environmentally sensitive products, as those terms are defined by rule of the comptroller, in purchases made under this subtitle if the product meets state specifications regarding quantity and quality, and the average price of the product is not more than 10 percent greater than the price of comparable nonrecycled products.

SECTION 2. Amends Section 2155.446, Government Code, as follows:

Sec. 2155.446. PURCHASE AND USE OF PAPER CONTAINING RECYCLED FIBERS. (a) Requires the comptroller, subject to Subsection (c), to contract for paper containing the highest proportion of recycled fibers for all purposes for which paper with recycled fibers may be used and to the extent that the paper is available, rather than available at a reasonable price, through normal commercial sources to supply the state's needs.

(b) Requires a state agency, subject to Subsection (c), that purchases through the comptroller to place orders for papers containing recycled fibers to the highest extent of its needs and to the extent that the paper is available through the comptroller's purchasing procedures.

- (c) Provides that this section does not apply if the average price of paper with recycled fibers exceeds by more than 10 percent the price of comparable nonrecycled paper.
- SECTION 3. Amends Section 2170.005(a), Government Code, to require the Department of Information Resources, to ensure efficient operation of the consolidated telecommunications system at minimum cost to the state, to adopt and disseminate to all agencies appropriate guidelines and operation procedures, and to publish telephone directories listed under Subchapter I (Directory Listings and Assistance), Chapter 55 (Regulation of Telecommunications Services), Utilities Code, Sections 55.202 (Directory Published by Telecommunications Utility) and 55.203 (Directory Published by Private Publisher) on a state Internet website.
- SECTION 4. Amends Subchapter I, Chapter 55, Utilities Code, by adding Section 55.204, as follows:
 - Sec. 55.204. ELECTRONIC TELEPHONE DIRECTORY. (a) Authorizes a telecommunication provider or telecommunications utility, notwithstanding any other law, to further the recycling goals, to publish on the provider's or the utility's Internet website a telephone directory or directory listing instead of providing for general distribution to the public of printed directories or listings.
 - (b) Requires a provider or utility that publishes a telephone directory or directory listing as described by Subsection (a) to provide a print or digital copy of the directory or listing to a customer on request. Requires a provider or utility, if it exercises this option, to notify its customers that provider or utility is required to provide the first print or digital copy requested by a customer in each calendar year at no charge to the customer.

SECTION 5. Effective date: upon passage or September 1, 2011.