

BILL ANALYSIS

S.B. 538
By: Blanco
State Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Currently, state law limits the products and services the Department of Information Resources (DIR) may offer through its cooperative contracts purchasing program for information technology commodity items to those products and services in demand by two or more state agencies. As long as at least two state agencies desire to purchase products or services, DIR is able to offer those products or services through the program and negotiate their prices down on the buyers' behalf. However, it has been suggested that the program would be more effective and generate further savings if DIR were able to offer a wider range of discounted products and services. S.B. 538 seeks to expand the program's scope to allow for the purchase of items in demand by other customers beyond state agencies, including but not limited to political subdivisions and governmental entities of another state.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

S.B. 538 amends the Government Code to expand the scope of the Department of Information Resources' (DIR) cooperative contracts purchasing program for information technology commodity items by allowing DIR to offer items in demand by customers beyond state agencies, including but not limited to political subdivisions of Texas and governmental entities of another state. The bill removes the two-year cap on the period of validity of a contract's preapproved terms and conditions and provides instead for that period to be established in the initial contract. The bill requires those terms and conditions to include a provision authorizing DIR to renegotiate the terms and conditions at any time before the contract expires.

EFFECTIVE DATE

September 1, 2021.