

SUBJECT: Revising reporting requirements for rebates under TxMAS contracts

COMMITTEE: State Affairs — favorable, without amendment

VOTE: 11 ayes — Paddie, Hernandez, Deshotel, Harless, Howard, Hunter, P. King, Metcalf, Shaheen, Slawson, Smithee

0 nays

2 absent — Lucio, Raymond

SENATE VOTE: On final passage, April 9 — 31-0, on Local and Uncontested Calendar

WITNESSES: For — None

Against — None

On — Robert Wood, Comptroller of Public Accounts

BACKGROUND: Government Code sec. 2155.510 allows the comptroller to collect a rebate from a vendor under a multiple award contract schedule if a purchase resulting in a rebate was made in whole or in part with federal funds.

DIGEST: SB 220 would require the comptroller to notify a state agency purchasing a good or service through a contract listed on a multiple award contract schedule of the percentage used to calculate the authorized rebate.

The bill would change the requirement to report the appropriate portion of the rebate to the appropriate federal funding agency from the comptroller to the purchasing state agency.

The bill would take effect September 1, 2021.

SUPPORTERS SAY: SB 220 would clarify a reporting feature of the Texas Multiple Award Schedule (TxMAS) contracting program operated by the comptroller's office by codifying the practice that state agencies report vendor rebates

on purchases made with federal funds. TxMAS adapts existing competitively awarded federal government contracts to meet the procurement needs of state agencies.

Current law requires the comptroller to provide an agency that uses federal funds to make purchases under a TxMAS contract the amount of a vendor rebate applicable to the federal funds so the rebate can be reported accurately. However, because the comptroller does not know the portion of purchases made by state agencies with federal funds, the office cannot provide the purchasing state agency with the corresponding amount of the rebate. SB 220 would allow the comptroller to provide agencies with the rate at which these rebates are calculated so the agencies can do their own reporting regarding their use of federal funds.

CRITICS
SAY:

No concerns identified.