

CHAPTER 511

S.B. No. 1173

An Act relating to interagency cooperation contracts; increasing the exclusion for written requirements and advance approval of such contracts from less than \$350 to less than \$2,500; allowing performing agencies to subcontract and purchase equipment; permitting receiving agencies to advance federal funds; amending Sections 3, 4, 5, and 7, Chapter 340, Acts of the 53rd Legislature, Regular Session, 1953, as amended (Article 4413(32), Vernon's Texas Civil Statutes).

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Section 3, Chapter 340, Acts of the 53rd Legislature, Regular Session, 1953, as amended (Article 4413(32), Vernon's Texas Civil Statutes), is amended to read as follows:

"Section 3. Any state agency may enter into and perform a written agreement or contract with other agencies of the state for furnishing necessary and authorized special or technical services, including the services of employees, the services of materials, or the services of equipment. The actual cost of rendering the services, or the nearest estimate of the cost that is practicable, shall be reimbursed, except in case of service rendered in the fields of national defense or disaster relief, or in cooperative efforts, proposed by the Governor, to promote the economic development of the state. Provided, however, nothing herein shall authorize any agency to construct any highway, street, road, or other building or structure for any other agency, except as otherwise specifically authorized by existing law, and, except as to the right of the Texas Highway Department to enter into interagency agreements with any state college or university or public junior colleges providing for the maintenance, improvement, relocation or extension of existing on-campus streets, parking lots and access-ways. Provided, however, no agency shall supply any services, supplies, or materials to another agency which are required by Section 21 of Article 16 of the Constitution of Texas to be supplied under contract given to the lowest responsible bidder. *A contract entered into by state agencies pursuant to this Act may permit a performing agency to subcontract and purchase equipment to the extent deemed appropriate by the State Purchasing and General Services Commission. A receiving agency may advance federal funds to a performing agency when a receiving agency determines that such advances would facilitate the implementation of a federally funded program.*"

SECTION 2. Section 4, Chapter 340, Acts of the 53rd Legislature, Regular Session, 1953, as amended (Article 4413(32), Vernon's Texas Civil Statutes), is amended to read as follows:

"Section 4. Before any services may be rendered or received, a written agreement or contract shall be entered into, specifying the kinds and amounts of services to be rendered, the bases for calculating reimbursable costs, and the maximum amount of the costs during the time period covered by the agreement. In emergency situations for the defense or safety of the civil population, or in planning and preparation therefor, or in cooperative efforts, proposed by the Governor, for the economic development of the State, or where the amount involved is less than *Two Thousand Five Hundred Dollars (\$2,500) [Three Hundred and Fifty Dollars (\$350)]*, no written contract or advance approval by the *State Purchasing and General Services Commission [Board of Control]* is required. To be valid, the written agreement or contract must have the advance approval of the administrator of the State agencies which are parties thereto, and of the *State Purchasing and General Services Commission [Board of Control].*"

SECTION 3. Section 5, Chapter 340, Acts of the 53rd Legislature, Regular Session, 1953, as amended (Article 4413(32), Vernon's Texas Civil Statutes), is amended to read as follows:

"Section 5. No agreement or contract may be entered into or performed which will require or permit an agency of the State to exceed its constitutional or statutory duties and responsibilities, or the limitations of its appropriated funds. In reviewing proposed agreements or contracts of the character described in this Act, the *State Purchasing and General Services Commission [Board of Control]* is authorized and directed to consider the following factors, which shall not be construed to be exclusive:

"(a) Whether the services specified are necessary and essential for activities and work that are properly within the statutory functions and programs of the affected agencies of the State Government;

"(b) Whether the proposed arrangements serve the interests of efficient and economical administration of the State Government; and

"(c) Whether the specified bases for reimbursing actual costs are fair, equitable, and realistic and in conformity with the limitations of funds prescribed in the current appropriations act or other applicable statutes."

SECTION 4. Section 7, Chapter 340, Acts of the 53rd Legislature, Regular Session, 1953, as amended (Article 4413(32), Vernon's Texas Civil Statutes), is amended to read as follows:

"Section 7. A summary of all such agreements or contracts entered into during any fiscal year by State departments or agencies and aggregating over One Hundred Dollars (\$100), including descriptions of the purposes of the agreements or contracts, names of the State agencies involved, time period covered, and amounts of reimbursement, shall be included in the *State Purchasing and General Services Commission's* [~~Board of Control's~~] annual report."

SECTION 5. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended.

Passed the Senate on April 18, 1985, by the following vote: Yeas 31, Nays 0; passed the House on May 17, 1985, by the following vote: Yeas 134, Nays 0, one present not voting.

Approved: June 12, 1985

Effective: August 26, 1985