

BILL SUMMARY
2nd Session of the 59th Legislature

| | |
|------------------------|---------------------|
| Bill No.: | HB3067 |
| Version: | Introduced |
| Request Number: | 8473 |
| Author: | Rep. Banning |
| Date: | 2/7/2024 |
| Impact: | \$1,000,000 |

Research Analysis

HB 3067 as introduced, prohibits a state agency from entering into contracts with a company owned or subcontracted by the government of the People's Republic of China, which is defined in the measure as a *scrutinized company*. State agencies are to require companies to certify they are not a scrutinized company before bidding on a state contract. Companies providing false certification are subject to civil penalties, contract termination, and will be ineligible to bid on state contracts for five years.

Prepared By: Keana Swadley

Fiscal Analysis

HB 3067 prohibits the state from entering into contracts with companies with at least a majority ownership stake by the government of the People's Republic of China. Per the Office of Management and Enterprise Services (OMES), this measure would require additional certifications to be obtained by potential bidders during the solicitation process as well as additional processes and resources by the Central Purchasing Division of OMES and within other state agencies. OMES states this measure may require an additional FTE at the rate of approximately Sixty-five Thousand dollars (\$65,000.00), with a total fiscal impact to OMES for implementation of these new processes to be less than One Million dollars (\$1,000,000.00) total. This measure may also create an unknown fiscal impact amount to other state agencies to implement this new process.

Prepared By: Jay St Clair, House Fiscal Staff

Other Considerations

None.