

By: White of Tyler

H.B. No. 546

A BILL TO BE ENTITLED

AN ACT

relating to a prohibition on state contracting for goods produced through forced labor; providing penalties.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter A, Chapter 2155, Government Code, is amended by adding Section 2155.0045 to read as follows:

Sec. 2155.0045. CONTRACTS FOR GOODS MADE BY FORCED LABOR.

(a) In this section, "forced labor" means labor that is performed or provided by another person and obtained through an actor's use of force, fraud, or coercion.

(b) A state agency shall include in each state agency contract to procure goods from a vendor:

(1) a provision specifying that goods furnished to the state under the contract may not be produced wholly or partly by forced labor; and

(2) a certification from the vendor that the vendor, each person represented by the vendor, and each person acting for the represented person has not used, in the making of the goods, any forced labor.

(c) A vendor who contracts with the state may not enter into, and a state agency may not enter into, a contract for goods created wholly or partly by forced labor.

(d) A vendor that violates this section is subject to:

(1) termination of the contract to provide the goods

1 that violate this section and withholding of payment under the
2 contract;

3 (2) following the opportunity for a hearing conducted
4 under Chapter 2001, the assessment of an administrative penalty
5 equal to:

6 (A) the greater of \$1,000 or 20 percent of the
7 value of goods the state agency demonstrates were produced wholly
8 or partly by forced labor and supplied to the agency under the
9 contract; and

10 (B) all reasonable hearings costs, including
11 attorney's fees; or

12 (3) being barred from bidding on any state contract or
13 entering into a contract with a state agency before the first
14 anniversary of the date the determination is made that the vendor
15 violated this section.

16 (e) A contract entered into that violates this section is
17 void as against public policy.

18 (f) This section does not apply to goods created wholly or
19 partly by a person who performs services while imprisoned in the
20 Texas Department of Criminal Justice or while confined in a county
21 or municipal jail.

22 SECTION 2. Section 2155.0045, Government Code, as added by
23 this Act, applies only to a contract entered into on or after the
24 effective date of this Act. A contract entered into before that
25 date is governed by the law as it existed on the date the contract
26 was entered into, and that law is continued in effect for that
27 purpose.

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1 SECTION 3. This Act takes effect September 1, 2015.