

GOVERNMENT CODE

TITLE 10. GENERAL GOVERNMENT

SUBTITLE F. STATE AND LOCAL CONTRACTS AND FUND MANAGEMENT

CHAPTER 2274. PROHIBITION ON CONTRACTS WITH COMPANIES THAT  
DISCRIMINATE AGAINST FIREARM AND AMMUNITION INDUSTRIES

Sec. 2274.001. DEFINITIONS. In this chapter:

(1) "Ammunition" means a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile.

(2) "Company" means a for-profit organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or associations that exists to make a profit. The term does not include a sole proprietorship.

(3) "Discriminate against a firearm entity or firearm trade association":

(A) means, with respect to the entity or association, to:

(i) refuse to engage in the trade of any goods or services with the entity or association based solely on its status as a firearm entity or firearm trade association;

(ii) refrain from continuing an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association; or

(iii) terminate an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association; and

(B) does not include:

(i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories; and

(ii) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship:

(aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency; or

(bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association.

(4) "Firearm" means a weapon that expels a projectile by the action of explosive or expanding gases.

(5) "Firearm accessory" means a device specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and an item used in conjunction with or mounted on a firearm that is not essential to the basic function of the firearm. The term includes a detachable firearm magazine.

(6) "Firearm entity" means:

(A) a firearm, firearm accessory, or ammunition manufacturer, distributor, wholesaler, supplier, or retailer; and

(B) a sport shooting range as defined by Section [250.001](#), Local Government Code.

(7) "Firearm trade association" means any person, corporation, unincorporated association, federation, business league, or business organization that:

(A) is not organized or operated for profit and for which none of its net earnings inures to the benefit of any private shareholder or individual;

(B) has two or more firearm entities as members; and

(C) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code.

(8) "Governmental entity" has the meaning assigned by Section [2251.001](#).

Added by Acts 2021, 87th Leg., R.S., Ch. 530 (S.B. [19](#)), Sec. 1, eff. September 1, 2021.

Sec. 2274.002. PROVISION REQUIRED IN CONTRACT. (a) This

section applies only to a contract that:

(1) is between a governmental entity and a company with at least 10 full-time employees; and

(2) has a value of at least \$100,000 that is paid wholly or partly from public funds of the governmental entity.

(b) Except as provided by Subsection (c) and Section [2274.003](#), a governmental entity may not enter into a contract with a company for the purchase of goods or services unless the contract contains a written verification from the company that it:

(1) does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and

(2) will not discriminate during the term of the contract against a firearm entity or firearm trade association.

(c) Subsection (b) does not apply to a governmental entity that:

(1) contracts with a sole-source provider; or

(2) does not receive any bids from a company that is able to provide the written verification required by that subsection.

Added by Acts 2021, 87th Leg., R.S., Ch. 530 (S.B. [19](#)), Sec. 1, eff. September 1, 2021.

Sec. 2274.003. CERTAIN CONTRACTS EXEMPTED. (a) A contract entered into in connection with or relating to the issuance, sale, or delivery of notes under Subchapter [H](#), Chapter [404](#), or the administration of matters related to the notes, including the investment of note proceeds, is exempt from this chapter if, in the comptroller's sole discretion, the comptroller determines that compliance with Section [2274.002](#) is likely to prevent:

(1) an issuance, sale, or delivery that is sufficient to address the general revenue cash flow shortfall forecast; or

(2) the administration of matters related to the notes.

(b) Before making a determination under Subsection (a), the comptroller must:

(1) survey potential respondents or bidders to a

solicitation for a contract described by Subsection (a) to determine the number of qualified potential respondents or bidders that are able to provide the written verification required by Section [2274.002](#); and

(2) evaluate the historical bidding performance of qualified potential bidders.

Added by Acts 2021, 87th Leg., R.S., Ch. 530 (S.B. [19](#)), Sec. 1, eff. September 1, 2021.