

Message - June 15, 2007

TO THE MEMBERS OF THE SENATE AND HOUSE OF REPRESENTATIVES OF THE EIGHTIETH TEXAS LEGISLATURE, REGULAR SESSION:

Pursuant to Article IV, Sections 14 and 15 of the Texas Constitution, I, Rick Perry, Governor of Texas, do hereby disapprove and veto House Bill No. 1179 of the 80th Texas Legislature, Regular Session, due to the following objections:

House Bill No. 1179 would require the Texas Lottery Commission to adhere to the general procurement policies of the state that are governed by the Texas Building and Procurement Commission (TBPC).

Since its creation, the Lottery Commission has been allowed to independently negotiate purchases rather than going through the TBPC procurement process. Although it has proceeded independently, the Lottery has followed the same practices as the TBPC, resulting in effective evaluation and selection of contractors and contracts that include the required statutory provisions.

I support the philosophy behind House Bill No. 1179 of promoting competition in the marketplace and protecting the state's interests with respect to procurement practices. However, I am vetoing House Bill No. 1179 because the Lottery negotiated many of its contracts based on its current procurement process. Eliminating the purchasing flexibility in the Texas Lottery Commission's procurement process could jeopardize its future success.

The Lottery should retain its flexibility in purchasing because the agency is contracting for and operating a unique business that deals with a limited vendor community qualified to operate the games. These purchases are different from consumable goods, such as office supplies, that other agencies purchase and which TBPC rules are designed to cover.

IN TESTIMONY WHEREOF, I have signed my name officially and caused the Seal of the State to be affixed hereto at Austin, this the 15th day of June, 2007.

RICK PERRY
Governor of Texas

ATTESTED BY:
ROGER WILLIAMS
Secretary of State