

August 28, 2019

Mr. Ronald J. Bounds Assistant General Counsel Teacher Retirement System of Texas 1000 Red River Street Austin, Texas 78701-2698

OR2019-24084

Dear Mr. Bounds:

You ask whether certain information is subject to required public disclosure under the Public Information Act (the "Act"), chapter 552 of the Government Code. Your request was assigned ID# 783095 (TRS Reference: AAS 19-1).

The Teacher Retirement System of Texas (the "system") received a request for three categories of information pertaining to specified locations occupied by the system. You state the system does not possess some of the requested information. You claim some of the submitted information is excepted from disclosure under section 552.104 of the Government Code. Additionally, you state release of this information may implicate the proprietary interests of 816 Congress Owner LLC ("816"); Cousins 816 Congress LLC; JPMorgan Chase Bank, N.A.; Lehman Brothers Holdings, LLC; Periscope Holdings, Inc.; Qualia Labs, Inc.; TC Austin Block 71, LLC ("TC"); and the University of Texas System. Accordingly, you state, and provide documentation showing, you notified these third parties of the request for information and of their right to submit arguments to this office as to why the information at issue should not be released. See Gov't Code § 552.305(d); see also Open Records Decision No. 542 (1990) (statutory predecessor to section 552.305 permits governmental body to rely on interested third party to raise and explain applicability of exception in the Act in certain circumstances). We have received arguments from TC. We have considered the submitted arguments and reviewed the submitted information.

We note an interested third party is allowed ten business days after the date of its receipt of the governmental body's notice under section 552.305(d) of the Government Code to submit its reasons, if any, as to why information relating to that party should be withheld

<sup>&</sup>lt;sup>1</sup> The Act does not require a governmental body that receives a request for information to create information that did not exist when the request was received. *See Econ. Opportunities Dev. Corp. v. Bustamante*, 562 S.W.2d 266 (Tex. Civ. App.—San Antonio 1978, writ dism'd); Open Records Decision Nos. 605 at 2 (1992), 563 at 8 (1990), 555 at 1-2 (1990), 452 at 3 (1986), 362 at 2 (1983).

from public disclosure. See Gov't Code § 552.305(d)(2)(B). As of the date of this letter, we have not received comments from the remaining third parties explaining why the submitted information should not be released. Therefore, we have no basis to conclude those parties have protected proprietary interests in the submitted information. See id. § 552.110; Open Records Decision Nos. 661 at 5-6 (1999) (to prevent disclosure of commercial or financial information, party must show by specific factual evidence, not conclusory or generalized allegations, that release of requested information would cause that party substantial competitive harm), 552 at 5 (1990) (party must establish prima facie case that information is trade secret), 542 at 3. Accordingly, the system may not withhold any portion of the submitted information related to those third parties on the basis of any proprietary interest they may have in the information.

We note the submitted information is subject to section 2261.253 of the Government Code. Section 2261.253 provides, in relevant part, as follows:

- (a) For each contract for the purchase of goods or services from a private vendor, each state agency shall post on its Internet website:
  - (1) each contract the agency enters into, including contracts entered into without inviting, advertising for, or otherwise requiring competitive bidding before selection of the contractor, until the contract expires or is completed[.]

(b) A state agency monthly may post contracts described by Subsection (a) that are valued less than \$15,000.

- (e) A state agency that posts a contract on its Internet website as required under this section shall redact from the posted contract
  - (1) information that is confidential under law; [and]
  - (2) information the attorney general determines is excepted from public disclosure under [the Act.]

(f) The redaction of information under Subsection (e) does not exempt the information from the requirements of Section 552.021 or 552.221.

Gov't Code  $\S 2261.253(a)(1)$ , (b), (e)(1)-(2), (f). The contracts at issue are between the system, a state agency, and TC and 816, private vendors, for the purchase of goods or

services. We note the contracts are valued at more than \$15,000 and have not expired nor been completed. The system and TC raise sections 552.104 and 552.110 of the Government Code for portions of the submitted information; however, the exceptions to disclosure found in the Act do not generally apply to information that other statutes make public. *See* Open Records Decision Nos. 623 at 3 (1994), 525 at 3 (1989). The 85th Legislature amended section 2261.253; pursuant to the amendments, state agencies shall redact from contracts subject to section 2261.253 information that is confidential under law or information the attorney general determines is excepted from public disclosure under the Act. Gov't Code § 2261.253(e)(1)-(2); *see also id.* § 2261.253(f). We note the amendments "apply only in relation to a contract for which a state agency first advertises or otherwise solicits bids, proposals, offers, or qualifications on or after [September 1, 2017]." Act of May 29, 2017, 85th Leg., R.S., ch. 556, § 17(c), 2017 Tex. Sess. Law Serv. 1535, 1540. Upon review, we find the contracts at issue are subject to the amendments; therefore, we will consider the submitted arguments under sections 552.104 and 552.110 for the submitted information.

Section 552.104(a) of the Government Code excepts from disclosure "information that, if released, would give advantage to a competitor or bidder." Gov't Code § 552.104(a). The "test under section 552.104 is whether knowing another bidder's [or competitor's information] would be an advantage, not whether it would be a decisive advantage." *Boeing Co. v. Paxton*, 466 S.W.3d 831 (Tex. 2015). You indicate this is a recurring procurement. You state the system is "seeking bid proposals . . . relating to the acquisition of property interests for new facilities . . . for possible future locations of [the system]'s business offices." Thus, you argue release of the information at issue would harm the system's interests in "obtaining the most favorable proposal terms possible from potential developers or prospective landlords" for these purposes. After review of the information at issue and consideration of the arguments, we find the system has established the release of the information at issue would give advantage to a competitor or bidder. Thus, we conclude the system may withhold the information it marked under section 552.104(a) of the Government Code.<sup>2</sup>

Additionally, TC states it has competitors. TC states "[i]f released to the public, this information could provide TC... competitors an in-depth look into key strategic methods that have helped TC... execute lease agreements." For many years, this office concluded the terms of a contract and especially the pricing of a winning bidder are public and generally not excepted from disclosure. Gov't Code § 552.022(a)(3) (contract involving receipt or expenditure of public funds expressly made public); Open Records Decision Nos. 541 at 8 (1990) (public has interest in knowing terms of contract with state agency), 514 (1988) (public has interest in knowing prices charged by government contractors), 494 (1988) (requiring balancing of public interest in disclosure with competitive injury to company). See generally Freedom of Information Act Guide & Privacy Act Overview, 219 (2000) (federal cases applying analogous Freedom of Information Act reasoning that disclosure of prices charged government is a cost of doing business with government). However, now, pursuant to the Boeing decision, section 552.104 is not limited to only ongoing competitive situations, and a third party need only show release of its

<sup>&</sup>lt;sup>2</sup> As our ruling is dispositive, we need not address the remaining arguments against disclosure of this information.

competitively sensitive information would give an advantage to a competitor even after a contract is executed. Boeing, 466 S.W.3d at 831, 839. After review of the information at issue and consideration of the arguments, we find TC has established the release of the information it marked would give advantage to a competitor or bidder. Thus, we conclude system may also withhold the information TC marked under section 552.104(a) of the Government Code.<sup>3</sup>

Section 552.137 of the Government Code excepts from disclosure "an e-mail address of a member of the public that is provided for the purpose of communicating electronically with a governmental body," unless the member of the public consents to its release or the e-mail address is of a type specifically excluded by subsection (c). See Gov't Code § 552.137(a)-(c). Section 552.137 is not applicable to an institutional e-mail address, an Internet website address, the general e-mail address of a business, an e-mail address of a person who has a contractual relationship with a governmental body, or an e-mail address maintained by a governmental entity for one of its officials or employees. See id. § 552.137(c). We note the e-mail addresses TC marked are the type specifically excluded by section 552.137(c). Accordingly, the system may not withhold the information TC marked under section 552.137 of the Government Code.

In summary, the system may withhold the information it marked and the information TC marked under section 552.104(a) of the Government Code. The system must release the remaining information.

This letter ruling is limited to the particular information at issue in this request and limited to the facts as presented to us; therefore, this ruling must not be relied upon as a previous determination regarding any other information or any other circumstances.

This ruling triggers important deadlines regarding the rights and responsibilities of the governmental body and of the requestor. For more information concerning those rights and responsibilities, please visit our website at https://www.texasattorneygeneral.gov/opengovernment/members-public/what-expect-after-ruling-issued or call the OAG's Open Government Hotline, toll free, at (877) 673-6839. Questions concerning the allowable charges for providing public information under the Public Information Act may be directed to the Cost Rules Administrator of the OAG, toll free, at (888) 672-6787.

Ashley Crutchfield

Assistant Attorney General

Open Records Division

AC/gw

<sup>&</sup>lt;sup>3</sup> As our ruling is dispositive, we need not address the remaining argument against disclosure of this information.

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Enc. Submitted documents

c:

Requestor (w/o enclosures)

8 Third Parties c:

(w/o enclosures)