

## **BILL ANALYSIS**

H.B. 2092  
By: Harper-Brown  
Transportation  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Currently, Chapter 223, Subchapter A of the Transportation Code sets out a formal advertisement and contract letting procedures that the Texas Department of Transportation (TxDOT) must follow for all highway improvement contracts, including maintenance contracts, regardless of the size of the contract. Section 223.042 requires that TxDOT spend at least half of its maintenance project funds on controlled maintenance.

At the time that the statutes establishing formal contract letting procedures went into effect, TxDOT typically contracted out only larger projects and performed smaller projects with its own forces. Section 223.042, enacted in 1991, increased the number of smaller projects the department contracts out, but requires the department to award those contracts under the formal advertisement and bid opening procedures in Chapter 223 of the Transportation Code. This often results in the cost of letting exceeding the cost of the work.

House Bill 2092 will amend the Transportation Code to allow the department to procure highway maintenance contracts using competitive bid procedures or purchasing act procedures when the amount of the contract is less than \$15,000.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

Amends Section 223.042, Transportation Code, to give the department the discretion to award maintenance contracts using either competitive bid procedures or purchasing act procedures when the amount of the contract is less than \$15,000.

### **EFFECTIVE DATE**

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2003.

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