#### **BILL ANALYSIS**

Senate Research Center 78R3566 SMH-D

S.B. 888 By: Carona Infrastructure Development and Security 3/13/2003 As Filed

### **DIGEST AND PURPOSE**

Currently, Texas law does not cover construction/program management as a professional service. Construction/program management applies management techniques to the planning, design, and construction of a project to control time, cost, and quality, promoting the successful execution of capital projects. As proposed, S.B. 888 creates a registration and renewal system for construction/program management professionals within the Texas Department of Licensing and Regulation.

#### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the executive director of the Texas Department of Licensing and Regulation in SECTION 1 (Section 1305.102, Occupations Code) of this bill.

#### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Title 8, Occupations Code, by adding Chapter 1305, as follows:

# CHAPTER 1305. CONSTRUCTION/PROGRAM MANAGERS SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1305.001. DEFINITIONS. Defines "commission," "construction/program management," "construction/program manager," "department," and "executive director."

[Reserves Sections 1305.002-1305.050 for expansion.]

## SUBCHAPTER B. REGISTRATION REQUIREMENTS.

Sec. 1305.051. REGISTRATION REQUIRED. Prohibits a person from engaging in construction/program management on behalf of this state or a political subdivision thereof unless that person holds a certificate of registration under this chapter or is an officer or employee of this state, or a political subdivision thereof, and engages in such a practice for the person's employer.

Sec. 1305.052. REGISTRATION APPLICATION; FEE. Requires an applicant for registration under this chapter to submit an application form prescribed by the executive director of the Texas Department of Licensing and Regulation (TDLR) and pay an application fee.

Sec. 1305.053. ELIGIBILITY FOR REGISTRATION. Provides that to be eligible for registration, an applicant must be certified by the Construction Management Association of America, if the executive director of TDLR (executive director) determines that the requirements for that certification are sufficient, or submit five client names for verification of four years construction/program management experience and meet a certain degree or additional experience requirement.

Sec. 1305.054. ISSUANCE OF CERTIFICATE OF REGISTRATION. Requires the executive director to issue a certificate of registration to a qualified applicant.

Sec. 1305.055. REQUIRED INSURANCE. Requires a certificate of registration holder to maintain at least \$1 million in professional liability insurance.

Sec. 1305.056. TERM OF CERTIFICATE OF REGISTRATION. Provides that a certificate of registration is valid for a term established by the executive director.

[Reserves Sections 1305.057-1305.100 for expansion.]

#### SUBCHAPTER C. RENEWAL OF CERTIFICATE OF REGISTRATION

Sec. 1305.101. PROCEDURE FOR RENEWAL. (a) Authorizes a person otherwise eligible to renew a certificate of registration to renew an unexpired certificate by paying the renewal fee to TDLR before the expiration date. Prohibits a person with an expired certificate from engaging in activities that require a certificate until the certificate is renewed.

- (b) Authorizes a person with a certificate that has been expired for 90 days or less to renew the certificate by paying one-and-a-half times the renewal fee.
- (c) Authorizes a person with a certificate that has been expired for more than 90 days but less than one year to renew the certificate by paying twice the amount of the renewal fee.
- (d) Prohibits a person whose certificate has been expired for one year or more from renewing the certificate. Authorizes the person to obtain a new certificate by complying with the requirements and procedures for an original certificate.

Sec. 1305.102. CONTINUING EDUCATION. (a) Authorizes TDLR to recognize, prepare, or offer continuing education for certificate of registration holders.

(b) Provides that participation in continuing education programs is voluntary unless the executive director determines, by rule, that TDLR should require participation.

SECTION 2. (a) Effective date: September 1, 2003.

- (b) Makes application of this Act prospective to January 1, 2004.
- (c) Makes application of this Act prospective to the date the executive director acts on a certificate application submitted before January 1, 2004.