By: Harper-Brown H.B. No. 2092

A BILL TO BE ENTITLED

1	AN ACT

- 2 relating to the award of certain state highway maintenance
- 3 contracts.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 5 SECTION 1. Section 223.042, Transportation Code, is amended
- 6 to read as follows:
- 7 Sec. 223.042. PRIVATIZATION OF MAINTENANCE CONTRACTS. (a)
- 8 Of the amount spent in a fiscal year by the department for
- 9 maintenance projects, the department shall spend not less than 50
- 10 percent through contracts awarded by competitive bids.
- 11 (b) Money spent for maintenance projects to which this
- 12 section does not apply are included when computing the amount of
- 13 expenditures for maintenance projects in a fiscal year.
- 14 (c) The department may award a contract under this section
- 15 as a purchase of service under Subtitle D, Title 10, Government
- 16 Code, if the department:
- 17 (1) estimates that the contract will involve an amount
- 18 less than \$15,000; and
- 19 (2) determines that the competitive bidding procedure
- 20 <u>in this chapter is not practical.</u>
- 21 (d) The department shall consider all of its direct and
- 22 indirect costs in determining the cost of providing the services.
- 23 The department shall use the cost accounting procedures and
- 24 instructions developed by the State Council on Competitive

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- 1 Government under Section 2162.102(c)(2), Government Code, in
- 2 determining its cost. On request, the State Council on Competitive
- 3 Government shall provide technical assistance to the department
- 4 about the cost accounting procedures and instructions.
- 5 (e) [(d)] Subsection (a) does not apply unless the
- 6 department determines that a function of comparable quality and
- 7 quantity can be purchased or performed at a savings by using private
- 8 sector contracts.
- 9 $\underline{\text{(f)}}$ [\(\frac{(e)}{}\)] The department shall file a report with the
- 10 Legislative Budget Board on September 1 of each fiscal year
- 11 detailing the contracts awarded by the department under this
- 12 section during the previous fiscal year.
- (g) $[\frac{f}{f}]$ The commission shall adopt rules to administer
- 14 this section.
- 15 <u>(h)</u> [(g)] In this section, "maintenance project" means any
- 16 routine or preventive maintenance activity. The term includes
- 17 mowing, concrete removal and replacement, illumination
- 18 maintenance, guardrail repair, fence repair, litter pick-up,
- 19 herbicide spraying, pothole repair, silt and erosion control or
- 20 repair, sign installation, highway overlaying, paint and bead
- 21 striping, rest area maintenance, and installation of raised
- 22 pavement markings.
- 23 $\underline{\text{(i)}}$ [\frac{\text{(h)}}{}] This section does not apply to the purchase of
- 24 materials for maintenance projects.
- 25 SECTION 2. This Act takes effect immediately if it receives
- 26 a vote of two-thirds of all the members elected to each house, as
- 27 provided by Section 39, Article III, Texas Constitution. If this

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- 1 Act does not receive the vote necessary for immediate effect, this
- 2 Act takes effect September 1, 2003.