

Amend CSHB 2702 by adding the following appropriately numbered SECTION and renumbering subsequent SECTIONS of the bill accordingly:

SECTION \_\_\_\_ . Sections 223.041(b), (c), and (d), Transportation Code, are amended to read as follows:

(b) The department, in setting a minimum level of expenditures in these engineering-related activities that will be paid to the private sector providers, shall provide that ~~[index the level of expenditures from the amount set by rider in the General Appropriations Act enacted by the 75th Legislature at its regular session in 1997, expressed as a percentage of the total funds appropriated in Strategy A.1.1. Plan/Design/Manage.~~

~~[(c) Beginning in fiscal year 2000, the department shall increase its expenditures to private sector providers for engineering related services at least one percentage point per year until]~~ the expenditure level for a state fiscal year in all strategies paid to private sector providers for all department engineering-related services for transportation projects is not less than ~~[reaches a minimum of]~~ 35 percent of the total funds appropriated in Strategy A.1.1. Plan/Design/Manage and Strategy A.1.2. of the General Appropriations Act for that state fiscal biennium. The department shall attempt to make expenditures for engineering-related services with private sector providers under this subsection with historically underutilized businesses, as defined by Section 2161.001, Government Code, in an amount consistent with the applicable provisions of the Government Code, any applicable state disparity study, and in accordance with the good-faith-effort procedures outlined in the rules adopted by the Texas Building and Procurement Commission [General Services Commission].

~~[(d) The commission shall provide for hearings at which private sector complaints relating to the selection process are heard.]~~