Amend **CSHB 2704** by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS as appropriate:

SECTION _____. Section 222.104, Transportation Code, is amended by adding Subsections (f)-(h) to read as follows:

(f) To the maximum extent permitted by law, the department may delegate the full responsibility for design, bidding, and construction, including oversight and inspection, to a municipality, county, regional mobility authority, or regional tollway authority with whom the department enters into an agreement under this section.

(g) An agreement under this section must provide that a municipality, county, regional mobility authority, or regional tollway authority is required to meet state design criteria, construction specifications, and contract administration procedures unless the department grants an exception.

(h) An agreement under this section should prescribe the roles and responsibilities of the parties and establish timeframes for any department reviews or approvals in a manner that will, to the maximum extent possible, expedite the development of the project.

SECTION ____. Subchapter E, Chapter 222, Transportation Code, is amended by adding Section 222.1045 to read as follows:

Sec. 222.1045. CONTRACTS OF CERTAIN PUBLIC ENTITIES. (a) In this section, "public entity" means a municipality, county, regional mobility authority, or a regional tollway authority.

(b) A public entity may contract with a private entity to act as the public entity's agent in:

(1) the design, financing, maintenance, operation, or construction, including oversight and inspection, of a toll or nontoll facility under Section 222.104(b); or

(2) the maintenance of a state highway or a portion of a state highway subject to an agreement under Section 222.104 (c).

(c) A public entity shall:

(1) select a private entity under Subsection (b) on the
basis of the private entity's qualifications and experience; and
(2) enter into a project development agreement with the

private entity.

(d) A private entity selected shall comply with Chapter 1001, Occupations Code, and all laws related to procuring engineering services and construction bidding that are applicable to the public entity that selected the private entity.

(e) A public entity may assign the public entity's right to payment of pass-through tolls under Section 222.104(b) or 222.104(c) to the private entity.