

Amend CSHB 300 by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill as appropriate:

SECTION _____. Subchapter A, Chapter 223, Transportation Code, is amended by adding Section 223.0125 to read as follows:

Sec. 223.0125. PAYMENT TO AFFECTED BUSINESS ENTITIES. (a) This section does not apply to a highway construction project for which the contractor is an electric utility, as defined by Section 31.002, Utilities Code, or a gas utility, as defined by Section 101.003 or 121.001, Utilities Code.

(b) The schedule under Section 223.012(a) must, for a highway construction project with a planned construction duration of more than six months, provide for liquidated damages to be paid by a contractor to business entities located in a project area that are adversely affected by project completion delays. The department shall:

(1) incorporate the schedule as part of each contract awarded by the commission for a highway construction project with a planned construction duration of more than six months;

(2) collect the damages;

(3) if the business entity is located in the corporate limits of a municipality, send the damages collected to the municipality in which the business entities are located; and

(4) notify each affected business entity that the damages have been collected and sent to the municipality.

(c) To receive damages collected under this section, a business entity must submit a claim to the department or, if applicable, to the municipality. The department or a municipality shall distribute damages collected under this section according to the schedule.

(d) If a business entity located in the corporate limits of a municipality does not submit a claim for damages under Subsection (c) before the first anniversary of the date on which the business entity received notice under Subsection (b)(4), the municipality may use that portion of the damages for transportation projects that will benefit the municipality.

(e) The department and a municipality hold damages paid by a

contractor under this section in trust for the benefit of a business entity that is adversely affected. The money used to pay damages under this section is held by the department outside the treasury and is transferred by the department without an appropriation.