BILL ANALYSIS

Senate Research Center 82R17822 ACP-F

H.B. 3730 By: Martinez, "Mando" (Hinojosa) Transportation & Homeland Security 5/16/2011 Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Interested parties report that contract requirements for highway maintenance projects are not consistent with state purchasing law allowing agencies to use an informal bidding process for the purchase of services costing less than \$25,000. The parties note that this inconsistency has a negative impact on the privatization of maintenance contracts.

H.B. 3730 amends current law relating to certain privatization of maintenance contracts awarded by the Texas Department of Transportation.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 223.042(c), Transportation Code, as follows:

- (c) Authorizes the Texas Department of Transportation (TxDOT) to award a contract under this section as a purchase of service under Subtitle D (State Purchasing and General Services), Title 10 (General Government), Government Code, if TxDOT:
 - (1) estimates that the contract will involve an amount for which a formal solicitation process for the purchase of services is not required under rules relating to the delegation of purchasing authority to state agencies adopted by the comptroller under Subchapter C (Delegations of and Exclusions from Commission's Purchasing Authority and Certain Exemptions from Competitive Bidding), Chapter 2155 (Purchasing: General Rules and Procedures), Government Code, rather than estimates that the contract will involve an amount less than \$15,000; and
 - (2) Makes no changes to this subdivision.

SECTION 2. Effective date: upon passage or September 1, 2011.