

1-1 By: Kleinschmidt (Senate Sponsor - Wentworth) H.B. No. 345  
1-2 (In the Senate - Received from the House April 20, 2011;  
1-3 April 26, 2011, read first time and referred to Committee on  
1-4 Intergovernmental Relations; May 9, 2011, reported adversely, with  
1-5 favorable Committee Substitute by the following vote: Yeas 5,  
1-6 Nays 0; May 9, 2011, sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR H.B. No. 345 By: Wentworth

1-8 A BILL TO BE ENTITLED  
1-9 AN ACT

1-10 relating to limitations on awards in an adjudication brought  
1-11 against a local governmental entity for breach of contract.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Section 271.153(a), Local Government Code, is  
1-14 amended to read as follows:

1-15 (a) The total amount of money awarded in an adjudication  
1-16 brought against a local governmental entity for breach of a  
1-17 contract subject to this subchapter is limited to the following:

1-18 (1) the balance due and owed by the local governmental  
1-19 entity under the contract as it may have been amended, including any  
1-20 amount owed as compensation for the increased cost to perform the  
1-21 work as a direct result of owner-caused delays or acceleration;

1-22 (2) the amount owed for change orders or additional  
1-23 work the contractor is directed to perform by a local governmental  
1-24 entity in connection with the contract;

1-25 (3) reasonable and necessary attorney's fees that are  
1-26 equitable and just; and

1-27 (4) interest as allowed by law, including interest as  
1-28 calculated under Chapter 2251, Government Code.

1-29 SECTION 2. The change in law made by this Act applies only  
1-30 to an adjudication commenced on or after the effective date of this  
1-31 Act. An adjudication commenced before the effective date of this  
1-32 Act is governed by the law applicable to the adjudication  
1-33 immediately before the effective date of this Act, and the former  
1-34 law is continued in effect for that purpose.

1-35 SECTION 3. This Act takes effect September 1, 2011.

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