

SENATE AMENDMENTS

2nd Printing

By: Kleinschmidt

H.B. No. 345

A BILL TO BE ENTITLED

AN ACT

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

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

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

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

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

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

(3) reasonable and necessary attorney's fees that are equitable and just; and

(4) interest as allowed by law, including interest for a disputed payment as provided by Section 2251.042, Government Code.

SECTION 2. The change in law made by this Act applies only to an adjudication commenced on or after the effective date of this Act. An adjudication commenced before the effective date of this

1 Act is governed by the law applicable to the adjudication
2 immediately before the effective date of this Act, and the former
3 law is continued in effect for that purpose.

4 SECTION 3. This Act takes effect September 1, 2011.

ADOPTED

MAY 17 2011

Atty. Gen.
Secretary of the Senate

By: Wentworth

H.B. No. 345

Substitute the following for H.B. No. 345:

By: Wentworth

C.S. H.B. No. 345

A BILL TO BE ENTITLED

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3 against a local governmental entity for breach of contract.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Section 271.153(a), Local Government Code, is
6 amended to read as follows:

7 (a) The total amount of money awarded in an adjudication
8 brought against a local governmental entity for breach of a
9 contract subject to this subchapter is limited to the following:

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

14 (2) the amount owed for change orders or additional
15 work the contractor is directed to perform by a local governmental
16 entity in connection with the contract;

17 (3) reasonable and necessary attorney's fees that are
18 equitable and just; and

19 (4) interest as allowed by law, including interest as
20 calculated under Chapter 2251, Government Code.

21 SECTION 2. The change in law made by this Act applies only
22 to an adjudication commenced on or after the effective date of this
23 Act. An adjudication commenced before the effective date of this
24 Act is governed by the law applicable to the adjudication

1 immediately before the effective date of this Act, and the former
2 law is continued in effect for that purpose.

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

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

May 17, 2011

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: John S O'Brien, Director, Legislative Budget Board

IN RE: HB345 by Kleinschmidt (Relating to limitations on awards in an adjudication brought against a local governmental entity for breach of contract.), **As Passed 2nd House**

No fiscal implication to the State is anticipated.

The bill would amend the Local Government Code related to the amount of interest a local government is liable for to a vendor on a disputed payment.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: JOB, SD, KKR, JT

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

May 9, 2011

TO: Honorable Royce West, Chair, Senate Committee on Intergovernmental Relations

FROM: John S O'Brien, Director, Legislative Budget Board

IN RE: HB345 by Kleinschmidt (Relating to limitations on awards in an adjudication brought against a local governmental entity for breach of contract.), **Committee Report 2nd House, Substituted**

No fiscal implication to the State is anticipated.

The bill would amend the Local Government Code related to the amount of interest a local government is liable for to a vendor on a disputed payment.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: JOB, KKR, JT

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

May 5, 2011

TO: Honorable Royce West, Chair, Senate Committee on Intergovernmental Relations

FROM: John S O'Brien, Director, Legislative Budget Board

IN RE: HB345 by Kleinschmidt (Relating to limitations on awards in an adjudication brought against a local governmental entity for breach of contract.), **As Engrossed**

No fiscal implication to the State is anticipated.

The bill would amend the Local Government Code related to the amount of interest a local government is liable for to a vendor on a disputed payment.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: JOB, KKR, JT

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

March 2, 2011

TO: Honorable Jim Jackson, Chair, House Committee on Judiciary & Civil Jurisprudence

FROM: John S O'Brien, Director, Legislative Budget Board

IN RE: HB345 by Kleinschmidt (Relating to limitations on awards in an adjudication brought against a local governmental entity for breach of contract.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend the Local Government Code related to the amount of interest a local government is liable for to a vendor on a disputed payment.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: JOB, JT