

1-1 By: Simmons, et al. (Senate Sponsor - Nichols) H.B. No. 20  
 1-2 (In the Senate - Received from the House May 4, 2015;  
 1-3 May 5, 2015, read first time and referred to Committee on  
 1-4 Transportation; May 18, 2015, reported adversely, with favorable  
 1-5 Committee Substitute by the following vote: Yeas 8, Nays 0;  
 1-6 May 18, 2015, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15			X	
1-16	X			
1-17	X			

1-18 COMMITTEE SUBSTITUTE FOR H.B. No. 20 By: Nichols

1-19 A BILL TO BE ENTITLED  
 1-20 AN ACT

1-21 relating to the operations of and transportation planning and  
 1-22 expenditures by the Texas Department of Transportation and planning  
 1-23 organizations.

1-24 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-25 SECTION 1. Section 201.809, Transportation Code, is amended  
 1-26 by adding Subsections (e) through (i) to read as follows:

1-27 (e) The commission by rule shall develop and implement a  
 1-28 performance-based planning and programming process dedicated to  
 1-29 providing the executive and legislative branches of government with  
 1-30 indicators that quantify and qualify progress toward attaining all  
 1-31 department goals and objectives established by the legislature and  
 1-32 the commission.

1-33 (f) The commission by rule shall develop and implement  
 1-34 performance metrics and performance measures as part of:

1-35 (1) the review of strategic planning in the statewide  
 1-36 transportation plan, rural transportation plans, and unified  
 1-37 transportation program;

1-38 (2) the evaluation of decision-making on projects  
 1-39 selected for funding in the unified transportation program and  
 1-40 statewide transportation improvement program; and

1-41 (3) the evaluation of project delivery for projects in  
 1-42 the department's letting schedule.

1-43 (g) The commission by rule shall adopt and shall  
 1-44 periodically review performance metrics and measures to:

1-45 (1) assess how well the transportation system is  
 1-46 performing and operating;

1-47 (2) provide the department, legislature,  
 1-48 stakeholders, and public with information to support decisions in a  
 1-49 manner that is accessible and understandable to the public;

1-50 (3) assess the effectiveness and efficiency of  
 1-51 transportation projects and service;

1-52 (4) demonstrate transparency and accountability; and

1-53 (5) address other issues the commission considers  
 1-54 necessary.

1-55 (h) The requirement for the commission to develop and  
 1-56 implement a performance-based planning and programming process  
 1-57 does not replace or alter the requirement of the commission or  
 1-58 department to comply with the budgetary performance measures for  
 1-59 each biennium as established in the General Appropriations Act. The  
 1-60 commission may not rely on the satisfaction of the requirement to

2-1 report budgetary performance measures as satisfying the  
2-2 requirements imposed under this section.

2-3 (i) The commission shall develop and implement periodic  
2-4 reporting schedules for all performance metrics and measures  
2-5 required under this section.

2-6 SECTION 2. Subchapter P, Chapter 201, Transportation Code,  
2-7 is amended by adding Section 201.9901 to read as follows:

2-8 Sec. 201.9901. DEFINITIONS. In this subchapter:

2-9 (1) "Planning organization" means:

2-10 (A) a metropolitan planning organization; or

2-11 (B) for an area that is not within the boundaries  
2-12 of a metropolitan planning organization, the department district  
2-13 that serves the area.

2-14 (2) "Project" means a connectivity or new capacity  
2-15 roadway project in the region of a planning organization. The term  
2-16 does not include a safety project, bridge project, federal  
2-17 discretionary project, maintenance project, or preservation  
2-18 project.

2-19 (3) "Region" means the area for which a planning  
2-20 organization develops plans under this subchapter.

2-21 (4) "Transportation official" means an official in a  
2-22 political subdivision who has responsibility for planning and  
2-23 implementation of transportation projects.

2-24 SECTION 3. Subchapter P, Chapter 201, Transportation Code,  
2-25 is amended by adding Section 201.9911 to read as follows:

2-26 Sec. 201.9911. PLANNING ORGANIZATION 10-YEAR PLAN. (a)  
2-27 Each planning organization shall develop a 10-year transportation  
2-28 plan for the use of the funding allocated to the region. The  
2-29 department shall assist the planning organizations by providing in  
2-30 a timely manner such information as is reasonably requested by the  
2-31 planning organizations.

2-32 (b) The first four years of the plan shall be developed to  
2-33 meet the transportation improvement plan requirements of 23 U.S.C.  
2-34 Section 134 or 135, as applicable.

2-35 (c) For an area that is not within the boundaries of a  
2-36 metropolitan planning organization, the department district shall  
2-37 develop the 10-year transportation plan with input from municipal  
2-38 and county elected officials and transportation officials in the  
2-39 region.

2-40 SECTION 4. Subchapter P, Chapter 201, Transportation Code,  
2-41 is amended by adding Sections 201.9932 and 201.9991 to read as  
2-42 follows:

2-43 Sec. 201.9932. PROJECT RECOMMENDATION CRITERIA. Each  
2-44 planning organization shall develop its own project recommendation  
2-45 criteria, which must include consideration of:

2-46 (1) projected improvements to congestion and safety;

2-47 (2) projected effects on economic development  
2-48 opportunities for residents of the region;

2-49 (3) available funding;

2-50 (4) effects on the environment, including air quality;

2-51 (5) socioeconomic effects, including  
2-52 disproportionately high and adverse health or environmental  
2-53 effects on minority or low-income neighborhoods; and

2-54 (6) any other factors deemed appropriate by the  
2-55 planning organization.

2-56 Sec. 201.9991. PRIORITIZATION AND APPROVAL OF PROJECTS BY  
2-57 COMMISSION. (a) The commission by rule shall prioritize and  
2-58 approve projects included in the statewide transportation plan  
2-59 under Section 201.601 in order to provide financial assistance  
2-60 under this chapter.

2-61 (b) The commission by rule shall establish a  
2-62 performance-based process for setting funding levels for the  
2-63 categories of projects in the department's unified transportation  
2-64 program.

2-65 (c) The commission by rule shall establish a scoring system  
2-66 for prioritizing projects for which financial assistance is sought  
2-67 from the commission by planning organizations. The criteria used to  
2-68 score projects must take into consideration the department's  
2-69 strategic goals as approved by the commission. The system must

3-1 account for the diverse needs of the state so as to fairly allocate  
3-2 funding to all regions of the state.

3-3 (d) The commission may make discretionary funding decisions  
3-4 for no more than 10 percent of the current biennial budget of the  
3-5 department.

3-6 SECTION 5. Section 223.241, Transportation Code, is amended  
3-7 by adding Subdivision (3) to read as follows:

3-8 (3) "Highway project" means:  
3-9 (A) a single highway facility between two defined  
3-10 points in a corridor; or  
3-11 (B) two or more contiguous highway facilities.

3-12 SECTION 6. Section 223.242, Transportation Code, is amended  
3-13 by adding Subsections (b-1), (f), and (g) and amending Subsections  
3-14 (d) and (d-1) to read as follows:

3-15 (b-1) A design-build contract under this subchapter may  
3-16 include a maintenance agreement requiring a design-build  
3-17 contractor to maintain a project for an initial term of not longer  
3-18 than five years. The maintenance agreement may authorize the  
3-19 department, in its sole discretion, to exercise options extending  
3-20 the term of the maintenance agreement for additional periods beyond  
3-21 the initial maintenance term with each additional period being not  
3-22 longer than five years. The department shall obtain pricing for the  
3-23 maintenance work for each maintenance term. The department may  
3-24 require separate pricing for the maintenance work to be performed  
3-25 for each year of a maintenance term.

3-26 (d) The department may enter into a design-build contract  
3-27 for a highway project with a construction cost estimate of \$250  
3-28 [~~\$50~~] million or more to the department.

3-29 (d-1) The department may not enter into more than three  
3-30 contracts under this section in each fiscal year[. ~~This subsection~~  
3-31 ~~expires August 31, 2015~~].

3-32 (f) The department shall not use the design-build method for  
3-33 the construction, expansion, extension, rehabilitation,  
3-34 alteration, or repair of a highway project if the project is  
3-35 substantially designed by the department or another entity other  
3-36 than the design-build contractor.

3-37 (g) The department shall not include more than one highway  
3-38 project in a design-build contract.

3-39 SECTION 7. (a) In this section:

3-40 (1) "Commission" means the Texas Transportation  
3-41 Commission.

3-42 (2) "Department" means the Texas Department of  
3-43 Transportation.

3-44 (b) Not later than the earlier of 30 days after the  
3-45 effective date of this Act or September 1, 2015:

3-46 (1) the speaker of the house of representatives shall  
3-47 appoint nine members to a House Select Committee on Transportation  
3-48 Planning and designate one member as chair; and

3-49 (2) the lieutenant governor shall appoint five members  
3-50 to a Senate Select Committee on Transportation Planning and  
3-51 designate one member as chair.

3-52 (b-1) In making appointments under Subsection (b) of this  
3-53 section, the speaker and the lieutenant governor should consider  
3-54 members that reflect diverse constituencies with respect to:

3-55 (1) geographic areas in the state;

3-56 (2) urban and rural areas; and

3-57 (3) ethnicity.

3-58 (c) The committees established under this section may meet  
3-59 separately at the call of the chair of the committee or jointly at  
3-60 the call of both chairs. In joint meetings, the chairs shall act as  
3-61 joint chairs.

3-62 (d) The committees established under this section, meeting  
3-63 separately or jointly, shall review, study, and evaluate:

3-64 (1) department projections regarding the revenue  
3-65 needed by the department to maintain current maintenance,  
3-66 congestion, and connectivity conditions;

3-67 (2) the development of funding categories, the  
3-68 allocation of funding to such categories by formula, project  
3-69 selection authority for each funding category, and the development

4-1 of project selection criteria for commission, department, and  
4-2 district-selected projects;

4-3 (3) department rules and policies regarding the  
4-4 development and implementation of performance-based scoring and  
4-5 decision making for project prioritization and selection of  
4-6 commission, department, and district-selected projects;

4-7 (4) the use and utilization of alternative methods of  
4-8 financing that have been authorized by the legislature for  
4-9 projects;

4-10 (5) performance metrics and measurement tools used by  
4-11 the department to evaluate the performance of a department project  
4-12 or program;

4-13 (6) the department's collaboration with state elected  
4-14 officials, local governments, government trade associations,  
4-15 metropolitan planning organizations, regional mobility  
4-16 authorities, and other entities when adopting rules or formulating  
4-17 policies;

4-18 (7) any proposed rule, policy, program, or plan of the  
4-19 commission or department of statewide significance;

4-20 (8) any possible benefits of utilizing zero-based  
4-21 budgeting principles; and

4-22 (9) any other matter the committee considers  
4-23 appropriate.

4-24 (e) Following consideration of the factors described by  
4-25 Subsection (d) of this section, the committees shall prepare a  
4-26 written report on the reviewed subjects and shall, not later than  
4-27 November 1, 2016, provide to the legislature the report.

4-28 (f) The committees established under this section may  
4-29 exercise any power of a committee of their respective chambers and  
4-30 any powers of a joint committee. For the purposes of this section,  
4-31 the committees established under this section are considered a  
4-32 joint committee and the cost of operation of each committee may be  
4-33 borne in the same manner as the cost of a joint committee. The Texas  
4-34 Legislative Council shall provide funding for the operations of the  
4-35 committees. To the extent not inconsistent with this section, the  
4-36 joint rules adopted by the 84th Legislature for the administration  
4-37 of joint interim legislative study committees apply to the  
4-38 committees established under this section.

4-39 (g) Not later than December 1, 2015, the department shall  
4-40 submit an initial report to the select committees. The report shall  
4-41 provide information necessary for the select committees to review,  
4-42 study, and evaluate the factors described by Subsections (d)(1),  
4-43 (2), and (3) of this section. Not later than May 31, 2016, the  
4-44 department shall submit to the select committees a preliminary  
4-45 report on the remaining factors described by Subsection (d) of this  
4-46 section.

4-47 (h) This section expires January 9, 2017.

4-48 SECTION 8. (a) Section 223.242(b-1), Transportation Code,  
4-49 as added by this Act, applies only to a contract entered into on or  
4-50 after the effective date of this Act. A contract entered into  
4-51 before that date is governed by the law as it existed on the date the  
4-52 contract was entered into, and that law is continued in effect for  
4-53 that purpose.

4-54 (b) Sections 223.242(f) and (g), Transportation Code, as  
4-55 added by this Act, apply only to a highway project for which a  
4-56 request for qualifications is issued on or after the effective date  
4-57 of this Act. A highway project for which a request for  
4-58 qualifications is issued before the effective date of this Act is  
4-59 governed by the law in effect on the date the request for  
4-60 qualifications was issued, and that law is continued in effect for  
4-61 that purpose.

4-62 SECTION 9. This Act takes effect immediately if it receives  
4-63 a vote of two-thirds of all the members elected to each house, as  
4-64 provided by Section 39, Article III, Texas Constitution. If this  
4-65 Act does not receive the vote necessary for immediate effect, this  
4-66 Act takes effect August 31, 2015.

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