

By: Naishtat

H.B. No. 3528

A BILL TO BE ENTITLED

AN ACT

relating to change orders for certain local government contracts.

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

SECTION 1. Section 262.031(b), Local Government Code, is amended to read as follows:

(b) If a change order involves an increase or decrease in cost of \$50,000 or less, the commissioners court may grant general authority to an employee to approve the change orders. However, the original contract price may not be increased by the employee by more than 25 percent unless the change order is necessary to comply with a federal or state statute, rule, regulation, or judicial decision enacted, adopted, or rendered after the contract was made. The original contract price may not be decreased by the employee by 18 percent or more without the consent of the contractor.

SECTION 2. Section 271.060(d), Local Government Code, is amended to read as follows:

(d) A governing body may grant authority to an official or employee responsible for purchasing or for administering a contract to approve a change order that involves an increase or decrease of \$50,000 or less. However, the original contract price may not be increased by the official or employee by more than 25 percent unless the change order is necessary to comply with a federal or state statute, rule, regulation, or judicial decision enacted, adopted, or rendered after the contract was made. The original contract

1 price may not be decreased by the official or employee by 18 percent
2 or more without the consent of the contractor.

3 SECTION 3. Section 271.060(c), Local Government Code, is
4 repealed.

5 SECTION 4. The changes in law made by this Act apply only to
6 a contract entered into on or after the effective date of this Act.
7 A contract entered into before the effective date of this Act is
8 governed by the law in effect at the time the contract was entered
9 into, and the former law is continued in effect for that purpose.

10 SECTION 5. This Act takes effect immediately if it receives
11 a vote of two-thirds of all the members elected to each house, as
12 provided by Section 39, Article III, Texas Constitution. If this
13 Act does not receive the vote necessary for immediate effect, this
14 Act takes effect September 1, 2015.