By: Gonzales of Williamson

H.B. No. 3955

A BILL TO BE ENTITLED

1	AN ACT
2	relating to the functions of the Texas Department of Transportation
3	relating to transportation planning and projects.
4	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
5	SECTION 1. Sections 201.601(a-1) and (d), Transportation
6	Code, are amended to read as follows:
7	(a-1) The plan must:
8	(1) contain specific <u>and clearly defined</u>
9	transportation system strategies, long-term transportation goals
10	for the state and measurable targets for each goal, and other
11	<pre>related performance measures;</pre>
12	(2) identify priority corridors, projects, or areas of
13	the state that are of particular concern to the department in
14	meeting the goals established under Subdivision (1); and
15	(3) contain a participation plan specifying methods
16	for obtaining formal input on the goals and priorities identified
17	under this subsection from:
18	(A) other state agencies;
19	(B) political subdivisions;
20	(C) local transportation entities; and
21	(D) the general public.
22	(d) <u>In selecting transportation projects</u> , the [The]
23	department shall consider the <u>transportation</u> system strategies,
24	goals and measurable targets, and other related performance

- 1 measures established under Subsection (a-1)(1) [in selecting
- 2 transportation projects].
- 3 SECTION 2. Section 201.6015, Transportation Code, is
- 4 amended to read as follows:
- 5 Sec. 201.6015. INTEGRATION OF PLANS AND POLICY EFFORTS. In
- 6 developing each of its transportation plans and policy efforts, the
- 7 department must:
- 8 (1) clearly reference the statewide transportation
- 9 plan under Section 201.601;
- 10 (2) include in the plan or policy effort the
- 11 transportation system strategies, goals and measurable targets,
- 12 and other related performance measures established under Section
- 13 201.601(a-1)(1); and
- 14 (3) [and] specify how the plan or policy effort
- 15 supports [or otherwise relates to] the specific goals established
- 16 under <u>Section 201.601(a-1)(1)</u> [that section].
- 17 SECTION 3. Section 201.807, Transportation Code, is amended
- 18 by amending Subsection (a) and adding Subsections (g) and (h) to
- 19 read as follows:
- 20 (a) In this section, "department project" means a highway
- 21 project under the jurisdiction of the department, including a
- 22 grouped rehabilitation and preventive maintenance project, that:
- 23 (1) is being developed or is under construction; and
- 24 (2) is identified in the district project portfolio
- 25 [work program] required under Section 201.998.
- 26 (g) The department shall:
- 27 (1) conduct a comprehensive review of the project

- 1 information reporting system;
- 2 (2) in conducting the review required by Subdivision
- 3 (1), incorporate feedback from internal and external users of the
- 4 system and advice from the department office responsible for public
- 5 involvement; and
- 6 (3) develop a plan for implementing any needed
- 7 improvements to the system.
- 8 (h) The department shall conduct the review required by
- 9 Subsection (g)(1) on a regular basis, as specified by commission
- 10 <u>rule.</u>
- 11 SECTION 4. Subchapter J, Chapter 201, Transportation Code,
- 12 is amended by adding Section 201.8075 to read as follows:
- 13 Sec. 201.8075. STATEWIDE TRANSPORTATION PLAN DASHBOARD.
- 14 (a) In this section, "dashboard" means a web-based data
- 15 visualization tool that provides an analysis and visual
- 16 representation of key performance measures relevant to a particular
- 17 objective.
- 18 (b) The department shall develop and prominently display on
- 19 the department's Internet website a dashboard that clearly
- 20 communicates to the public:
- 21 (1) the transportation system strategies, goals and
- 22 measurable targets, and other related performance measures
- 23 established under Section 201.601(a-1)(1); and
- 24 (2) the department's progress, including trends over
- 25 time, in meeting the strategies, goals and targets, and other
- 26 related performance measures described by Subdivision (1).
- 27 (c) The dashboard must be in a format that is easy to

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   navigate.
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          (d) The department shall:
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               (1) regularly update the information displayed on the
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   dashboard; and
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               (2) publish on the department's Internet website the
   methodology and data used to determine the department's progress
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7
   under Subsection (b)(2).
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          SECTION 5.
                      Section 201.808, Transportation Code, is amended
   by adding Subsection (i) to read as follows:
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          (i) The department shall:
               (1) conduct a comprehensive analysis regarding the
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   effect of funding allocations made to funding categories described
   by Section 201.991(b) and project selection decisions on
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   accomplishing the goals described in the statewide transportation
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   plan under Section 201.601;
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               (2) provide the analysis to metropolitan planning
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   organizations, the public, and each member of the commission for
   the purpose of informing deliberations on funding decisions for the
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   unified transportation program under Section 201.991;
               (3) update the analysis as part of:
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                    (A) the department's annual update to the unified
   transportation program under Section 201.992 and any other formal
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   update to that program; and
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                    (B) the evaluation and report required by Section
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   201.809;
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               (4) promptly publish the analysis on the department's
   Internet website in its entirety and in summary form; and
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- 1 (5) publish the methodology and data used to create
- 2 the analysis on the department's Internet website and make the
- 3 methodology and data available to the metropolitan planning
- 4 organizations, the public, and the commission under Subdivision
- 5 (2).
- 6 SECTION 6. Section 201.809(a), Transportation Code, is
- 7 amended to read as follows:
- 8 (a) The department annually shall evaluate and publish a
- 9 report about the status of each transportation goal for this
- 10 state. The department shall also promptly publish the report on
- 11 the department's Internet website in summary form. The report must
- 12 include:
- 13 (1) information about the progress of each long-term
- 14 transportation goal that is identified by the statewide
- 15 transportation plan;
- 16 (2) the status of each project identified as a major
- 17 priority;
- 18 (3) a summary of the number of statewide project
- 19 implementation benchmarks that have been completed; [and]
- 20 (4) information about the accuracy of previous
- 21 department financial forecasts; and
- 22 (5) the analysis required by Section 201.808(i).
- SECTION 7. Section 201.991, Transportation Code, is amended
- 24 by adding Subsections (b-1) and (e) and amending Subsection (d) to
- 25 read as follows:
- 26 (b-1) The commission by rule shall:
- 27 (1) adopt a policy comprehensively explaining the

- 1 department's approach to public involvement and transparency
- 2 related to the unified transportation program; and
- 3 (2) require the department to, at a minimum, make a
- 4 report on any change to the unified transportation program
- 5 available on the department's Internet website and provide the
- 6 report to the commission in a public meeting, regardless of any
- 7 rules adopted for public hearings and approvals.
- 8 (d) In developing the rules required by <u>Subsection (b)</u> [this
- 9 section], the commission shall collaborate with local
- 10 transportation entities.
- 11 (e) In developing the policy required by Subsection
- 12 (b-1)(1), the commission shall collaborate with stakeholders.
- SECTION 8. Section 201.992(b), Transportation Code, is
- 14 amended to read as follows:
- 15 (b) The annual update must include:
- 16 (1) the annual funding forecast required by Section
- 17 201.993;
- 18 (2) the list of major transportation projects required
- 19 by Section 201.994(b); [and]
- 20 (3) the category to which the project has been
- 21 assigned and the priority of the project in the category under
- 22 Section 201.995; and
- 23 (4) the analysis required by Section 201.808(i).
- SECTION 9. Section 201.995, Transportation Code, is amended
- 25 by adding Subsection (d) to read as follows:
- 26 (d) In prioritizing and approving projects under Section
- 27 201.9991 that are included in the unified transportation program,

- 1 the commission must first evaluate projects on strategic need and
- 2 potential contribution toward meeting the transportation goals
- 3 established under Section 201.601(a-1)(1). After conducting that
- 4 initial evaluation, the commission may conduct a secondary
- 5 evaluation based on other factors such as funding availability and
- 6 project readiness.
- 7 SECTION 10. Section 201.998, Transportation Code, is
- 8 amended to read as follows:
- 9 Sec. 201.998. DISTRICT PROJECT PORTFOLIOS [WORK PROGRAM].
- 10 (a) Each department district shall develop a consistently
- 11 formatted project portfolio [work program] based on the unified
- 12 transportation program covering a period of at least four years
- 13 that contains all projects that the district proposes to implement
- 14 during that period.
- 15 (b) The department shall develop comprehensive performance
- 16 measures for key steps in the project development process for
- 17 projects included in each district's project portfolio. The
- 18 department shall use the performance measures developed under this
- 19 subsection to track and report whether each district is:
- 20 (1) developing an appropriate mix of projects; and
- 21 (2) on track to meet letting targets that are
- 22 consistent with applicable department policy governing when a
- 23 project should be bid on for a contract awarded by the department
- 24 [work program must contain:
- 25 [(1) information regarding the progress of projects
- 26 designated as major transportation projects, according to project
- 27 implementation benchmarks and timelines established under Section

- 1 201.994; and
- 2 [(2) a summary of the progress on other district
- 3 projects].
- 4 (c) The department shall conduct a review of project
- 5 development activities in each district's project portfolio on a
- 6 regular basis and use the review [use the work program] to[:
- 7 $\left[\frac{(1)}{(1)}\right]$ monitor and evaluate the performance of each
- 8 [the] district[; and
- 9 [(2) evaluate the performance of district employees].
- 10 (d) <u>In conducting the review required by Subsection (c), the</u>
- 11 [The] department shall, when appropriate, seek input from key
- 12 stakeholders such as local government project sponsors or
- 13 metropolitan planning organizations [publish the work program in
- 14 appropriate media and on the department's Internet website].
- 15 <u>(e) The commission shall adopt rules as necessary to</u>
- 16 <u>administer this section.</u>
- 17 (f) The commission shall adopt and regularly update rules:
- 18 (1) governing the overall planning, review, and
- 19 monitoring process created by this section;
- 20 (2) specifying how planning and project stakeholders
- 21 can become involved in the process described by Subdivision (1);
- 22 and
- 23 (3) requiring the department to regularly report
- 24 results under this section to the commission and the public and
- 25 specifying the method for reporting those results.
- 26 (g) The commission shall consult a stakeholder group before
- 27 adopting or updating rules under Subsection (f).

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- 1 SECTION 11. Section 201.9991(a), Transportation Code, is
- 2 amended to read as follows:
- 3 (a) The commission by rule shall prioritize and approve
- 4 projects included in the statewide transportation plan under
- 5 Section 201.601 or in the unified transportation program under
- 6 <u>Section 201.991</u> in order to provide financial assistance under this
- 7 chapter.
- 8 SECTION 12. Subchapter P, Chapter 201, Transportation Code,
- 9 is amended by adding Section 201.9992 to read as follows:
- Sec. 201.9992. ROLES AND RESPONSIBILITIES OF DEPARTMENT AND
- 11 METROPOLITAN PLANNING ORGANIZATIONS. (a) The commission shall
- 12 adopt rules governing:
- 13 (1) the alignment of the department's state and
- 14 federal funding forecasts, including the annual funding forecast
- 15 required by Section 201.993, with the funding forecasts of
- 16 metropolitan planning organizations, including:
- 17 <u>(A) the funding forecasts used for long-term</u>
- 18 planning as described in Sections 201.620 and 472.035; and
- 19 <u>(B)</u> the 10-year transportation plan required by
- 20 Section 201.9911;
- 21 (2) the alignment of the statewide project
- 22 recommendation criteria developed by the department with the
- 23 project recommendation criteria developed by metropolitan planning
- 24 organizations that relate to statewide transportation goals,
- 25 particularly for major mobility projects using a mix of several
- 26 funding sources and selected by different entities;
- 27 (3) the department's timelines and review process for

- 1 the 10-year transportation plans required by Section 201.9911;
- 2 <u>(4) the department's process for allowing metropolitan</u>
- 3 planning organizations direct access to the department's
- 4 information systems, software, and technical assistance for the
- 5 purpose of accomplishing statewide transportation goals; and
- 6 (5) the department's process for collaborating with
- 7 metropolitan planning organizations to regularly evaluate the
- 8 availability, consistency, and quality of data and other
- 9 information needed to fully develop a more performance-based
- 10 transportation planning and project selection system.
- 11 (b) A rule adopted under Subsection (a)(3) must take into
- 12 consideration a metropolitan planning organization's other
- 13 deadlines and requirements in federal law.
- 14 (c) The commission shall consult a stakeholder group before
- 15 developing the rules required by Subsection (a).
- 16 SECTION 13. Section 223.012, Transportation Code, is
- 17 amended to read as follows:
- 18 Sec. 223.012. CONTRACTOR PERFORMANCE. (a) The commission
- 19 [department] shall adopt rules to:
- 20 (1) establish a range of contract remedies to be
- 21 <u>included in all low-bid highway improvement contracts, including</u>
- 22 enforceable corrective action plans and criteria for prohibiting
- 23 contractors with significant project completion delays from
- 24 bidding on new projects, and develop a process and criteria for when
- 25 to apply each contract remedy;
- 26 (2) develop and implement a schedule for liquidated
- 27 damages that accurately reflects the costs associated with project

1 completion delays, including administrative and travel delays; and 2 (3) develop a contractor performance evaluation 3 process and an evaluation tool that: 4 (A) allows for the $[\frac{(2)}{(2)}]$ review of contractor 5 bidding capacity to ensure that contractors meet each quality, safety, and timeliness standard established by the commission; and 6 7 (B) contains criteria for modifying a contractor's bidding capacity for competitively bid highway 8 improvement contracts when appropriate [(3) conduct a review to 9 10 determine whether commission rules or state law should be changed to realize significant cost and time savings on state highway 11 12 construction and maintenance projects]. 13 In developing the rules required by Subsection (a)(1), 14 the commission must: 15 (1) consult with industry contractors; and (2) consider contract remedies used by: 16 17 (A) other state agencies; and (B) departments of transportation in other 18 states [Not later than December 1, 1998, the department shall file a 19 20 report with the governor, the lieutenant governor, and the speaker of the house of representatives containing: 21 [(1) the results of the review conducted under 22 Subsection (a)(3); and 23 24 [(2) recommendations on legislation the commission 25 determines is necessary to realize significant cost and time 26 savings on state highway construction and maintenance].

(c) The rules adopted under Subsection (a)(2) must:

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- 1 (1) include criteria for identifying projects that
- 2 have a significant impact on the traveling public; and
- 3 (2) require the department to calculate
- 4 project-specific liquidated damages for projects described by
- 5 Subdivision (1) that reflect the true cost of travel delays.
- 6 (d) In developing the evaluation tool required by
- 7 Subsection (a)(3), the commission must consult with industry
- 8 contractors.
- 9 (e) The rules adopted under Subsection (a)(3) must:
- 10 (1) provide for a process for contractors to appeal
- 11 the contractors' evaluations; and
- 12 (2) include criteria for the use of the evaluations by
- 13 the department to address contractor performance problems.
- 14 SECTION 14. (a) Not later than March 1, 2018, the Texas
- 15 Department of Transportation shall:
- 16 (1) complete a review and update of the long-term
- 17 transportation goals contained in the statewide transportation
- 18 plan under Section 201.601, Transportation Code, and make any
- 19 changes to the statewide transportation plan that are necessary to
- 20 implement the change in law made by this Act to Section 201.601,
- 21 Transportation Code, including adopting specific and clearly
- 22 defined transportation system strategies, long-term transportation
- 23 goals for the state and measurable targets for each goal, and other
- 24 related performance measures, to ensure that the department uses a
- 25 single set of transportation goals in all of the department's
- 26 transportation plans and policy efforts;
- 27 (2) make any changes to each of the department's

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- 1 transportation plans and policy efforts that are necessary to
- 2 implement the change in law made by this Act to Section 201.6015,
- 3 Transportation Code;
- 4 (3) develop the plan required by Section
- 5 201.807(g)(3), Transportation Code, as added by this Act; and
- 6 (4) develop and publish on the department's Internet
- 7 website the dashboard required by Section 201.8075, Transportation
- 8 Code, as added by this Act.
- 9 (b) Not later than September 1, 2018, the Texas
- 10 Transportation Commission shall:
- 11 (1) adopt the rules required by Sections 201.807(h),
- 12 201.991(b-1), 201.998(f), and 201.9992, Transportation Code, as
- 13 added by this Act, and Section 223.012, Transportation Code, as
- 14 amended by this Act; and
- 15 (2) adopt or modify any rules necessary to implement
- 16 the changes in law made by this Act to Sections 201.807, 201.991,
- 17 and 201.998, Transportation Code.
- 18 SECTION 15. This Act takes effect September 1, 2017.