By: CosperH.B. No. 4163Substitute the following for H.B. No. 4163:By: MorrisonC.S.H.B. No. 4163

## A BILL TO BE ENTITLED

| 1  | AN ACT  |
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| 2  | relating to the allocation of money associated with delays of     |
| 3  | transportation projects.  |
| 4  | BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:           |
| 5  | SECTION 1. Subchapter A, Chapter 222, Transportation Code,        |
| 6  | is amended by adding Section 222.007 to read as follows:          |
| 7  | Sec. 222.007. ALLOCATION OF MONEY FROM TRANSPORTATION             |
| 8  | PROJECT DELAYS. (a) The department shall establish a system to    |
| 9  | track:  |
| 10 | (1) fees for delays in transportation projects                    |
| 11 | collected by the department from contractors hired by the         |
| 12 | department; and   |
| 13 | (2) liquidated damages retained by the department                 |
| 14 | associated with delayed transportation project contracts.         |
| 15 | (b) The system must allow the department to correlate the         |
| 16 | fees and liquidated damages with:                                 |
| 17 | (1) the project that was the subject of the fees or               |
| 18 | damages; and  |
| 19 | (2) each department district in which the project that            |
| 20 | was the subject of the fees or damages is located.                |
| 21 | (c) Each year, the department shall:                              |
| 22 | (1) for each department district, determine the amount            |
| 23 | of money described by Subsection (a) collected or retained in the |
| 24 | previous year that is attributable to projects located in the     |

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| 1  | district; and  |
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| 2  | (2) in addition to other amounts, allocate to each               |
| 3  | department district an amount of money equal to the amount       |
| 4  | determined for the district under Subdivision (1) to be used for |
| 5  | transportation projects located in that district.                |
| 6  | (d) If a transportation project that was the subject of fees     |
| 7  | or liquidated damages is located in more than one department     |
| 8  | district, the department may reasonably allocate the penalty     |
| 9  | revenue from that project between the districts in which the     |
| 10 | project is located.  |
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11 SECTION 2. This Act takes effect September 1, 2017.