## **BILL ANALYSIS**

Senate Research Center 86R6333 MCK-D

S.B. 986 By: Kolkhorst Business & Commerce 3/30/2019 As Filed

## **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

S.B. 986 requires the comptroller of public accounts of the State of Texas (comptroller) to update the contract management guide to include contract standards and information for contracts related to emergency management. S.B. 986 requires the comptroller to consult with the Texas Department of Emergency Management, Texas A&M Agrilife, the Texas A&M Engineering Extension Service, and local governments in developing these standards.

S.B. 986 requires the guide to include preferred contracting standards related to disaster response contracts, specifically, the construction and repair of infrastructure and clearing debris.

Following Hurricane Harvey, many local governments did not have the requisite contracts in place to respond to the storm. Many were unaware that such things were even necessary. S.B. 986 is designed to provide assistance and guidance for local governments in issuing contracts related to disaster response.

Not all contracts that were in place included prudent standards, especially with regard to debris removal, leaving some jurisdictions with little recourse when haulers threatened or failed to complete all passes. A model contract would help solve such problems. For example, jurisdictions could use preferred debris haulers' qualifications as contracting criteria, including expertise, geographic location, fleet size and number of employees. Bonding requirements and provisions for failure to perform also should be considered as contract requirements. Once determined, the requirements would be added to the contract template contractors.

S.B. 986 was filed in response to a recommendation in the report of the Governor's Commission to Rebuild Texas. (See Page 91, Recommendation 2.)

As proposed, S.B. 986 amends current law relating to contract management standards and information for contracts related to emergency management.

## **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

## **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Subchapter B, Chapter 2262, Government Code, by adding Section 2262.056, as follows:

Sec. 2262.056. STANDARDS FOR CONTRACTS RELATED TO EMERGENCY MANAGEMENT. (a) Requires the comptroller of public accounts of the State of Texas (comptroller) to update the contract management guide to include contract management standards and information for contracts related to emergency management.

(b) Requires the comptroller to develop the standards described by Subsection (a) in consultation with the Texas Division of Emergency Management, Texas A&M AgriLife Extension Service, Texas A&M Engineering Extension Service, and local government entities.

- (c) Requires the guide to include:
  - (1) preferred contracting standards;
  - (2) information on contracts for services that may be necessary to respond to a natural disaster or to construct, repair, or rebuild property or infrastructure after a natural disaster, including clearing debris and providing information management services and construction services; and
  - (3) advice on preparing for a natural disaster, including procedures to assist a state agency with contracting for services described by Subdivision (2) before a natural disaster occurs.

SECTION 2. Effective date: September 1, 2019.