

AN ACT

relating to changes made by certain design-build contractors to the design-build team for transportation projects.

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

SECTION 1. Subchapter F, Chapter 223, Transportation Code, is amended by adding Section 223.2475 to read as follows:

Sec. 223.2475. CHANGES TO DESIGN-BUILD TEAM. (a) A design-build contractor selected for a contract may not make changes to companies or entities identified as part of the design-build team in a response to a request for proposals unless an identified company or entity:

(1) is no longer in business, is unable to fulfill its legal, financial, or business obligations, or can no longer meet the terms of the teaming agreement proposed for the project with the design-build contractor;

(2) voluntarily removes itself from the team;

(3) fails to provide a sufficient number of qualified personnel to fulfill the duties identified during the proposal stage; or

(4) fails to negotiate in good faith in a timely manner in accordance with provisions established in the teaming agreement proposed for the project.

(b) If the design-build contractor makes design-build team changes in violation of Subsection (a), any cost savings resulting

1 from the changes accrue to the department and not to the
2 design-build contractor.

3 SECTION 2. Subchapter K, Chapter 370, Transportation Code,
4 is amended by adding Section 370.4075 to read as follows:

5 Sec. 370.4075. CHANGES TO DESIGN-BUILD TEAM. (a) A
6 design-build contractor selected for a contract may not make
7 changes to companies or entities identified as part of the
8 design-build team in a response to a request for proposals unless an
9 identified company or entity:

10 (1) is no longer in business, is unable to fulfill its
11 legal, financial, or business obligations, or can no longer meet
12 the terms of the teaming agreement proposed for the project with the
13 design-build contractor;

14 (2) voluntarily removes itself from the team;

15 (3) fails to provide a sufficient number of qualified
16 personnel to fulfill the duties identified during the proposal
17 stage; or

18 (4) fails to negotiate in good faith in a timely manner
19 in accordance with provisions established in the teaming agreement
20 proposed for the project.

21 (b) If the design-build contractor makes design-build team
22 changes in violation of Subsection (a), any cost savings resulting
23 from the changes accrue to the authority and not to the design-build
24 contractor.

25 SECTION 3. The changes in law made by this Act apply only to
26 a contract, highway project, or transportation project for which
27 the Texas Department of Transportation or an authority under

1 Chapter 370, Transportation Code, first advertises or otherwise
2 requests proposals or qualifications on or after the effective date
3 of this Act.

4 SECTION 4. This Act takes effect September 1, 2019.

President of the Senate

Speaker of the House

I certify that H.B. No. 1542 was passed by the House on April 30, 2019, by the following vote: Yeas 140, Nays 6, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 1542 was passed by the Senate on May 21, 2019, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor