

1-1 By: Martinez (Senate Sponsor - Hinojosa) H.B. No. 1542
 1-2 (In the Senate - Received from the House April 30, 2019;
 1-3 May 3, 2019, read first time and referred to Committee on
 1-4 Transportation; May 13, 2019, reported favorably by the following
 1-5 vote: Yeas 8, Nays 0; May 13, 2019, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15			X	
1-16	X			

1-17 A BILL TO BE ENTITLED
 1-18 AN ACT

1-19 relating to changes made by certain design-build contractors to the
 1-20 design-build team for transportation projects.

1-21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-22 SECTION 1. Subchapter F, Chapter 223, Transportation Code,
 1-23 is amended by adding Section 223.2475 to read as follows:

1-24 Sec. 223.2475. CHANGES TO DESIGN-BUILD TEAM. (a) A
 1-25 design-build contractor selected for a contract may not make
 1-26 changes to companies or entities identified as part of the
 1-27 design-build team in a response to a request for proposals unless an
 1-28 identified company or entity:

1-29 (1) is no longer in business, is unable to fulfill its
 1-30 legal, financial, or business obligations, or can no longer meet
 1-31 the terms of the teaming agreement proposed for the project with the
 1-32 design-build contractor;

1-33 (2) voluntarily removes itself from the team;

1-34 (3) fails to provide a sufficient number of qualified
 1-35 personnel to fulfill the duties identified during the proposal
 1-36 stage; or

1-37 (4) fails to negotiate in good faith in a timely manner
 1-38 in accordance with provisions established in the teaming agreement
 1-39 proposed for the project.

1-40 (b) If the design-build contractor makes design-build team
 1-41 changes in violation of Subsection (a), any cost savings resulting
 1-42 from the changes accrue to the department and not to the
 1-43 design-build contractor.

1-44 SECTION 2. Subchapter K, Chapter 370, Transportation Code,
 1-45 is amended by adding Section 370.4075 to read as follows:

1-46 Sec. 370.4075. CHANGES TO DESIGN-BUILD TEAM. (a) A
 1-47 design-build contractor selected for a contract may not make
 1-48 changes to companies or entities identified as part of the
 1-49 design-build team in a response to a request for proposals unless an
 1-50 identified company or entity:

1-51 (1) is no longer in business, is unable to fulfill its
 1-52 legal, financial, or business obligations, or can no longer meet
 1-53 the terms of the teaming agreement proposed for the project with the
 1-54 design-build contractor;

1-55 (2) voluntarily removes itself from the team;

1-56 (3) fails to provide a sufficient number of qualified
 1-57 personnel to fulfill the duties identified during the proposal
 1-58 stage; or

1-59 (4) fails to negotiate in good faith in a timely manner
 1-60 in accordance with provisions established in the teaming agreement
 1-61 proposed for the project.

2-1 (b) If the design-build contractor makes design-build team
2-2 changes in violation of Subsection (a), any cost savings resulting
2-3 from the changes accrue to the authority and not to the design-build
2-4 contractor.

2-5 SECTION 3. The changes in law made by this Act apply only to
2-6 a contract, highway project, or transportation project for which
2-7 the Texas Department of Transportation or an authority under
2-8 Chapter 370, Transportation Code, first advertises or otherwise
2-9 requests proposals or qualifications on or after the effective date
2-10 of this Act.

2-11 SECTION 4. This Act takes effect September 1, 2019.

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