

BILL ANALYSIS

Senate Research Center
87R8414 JRR-F

H.B. 2673
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Transportation
5/7/2021
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Smaller cities and counties that receive grants from the Texas Department of Transportation (TxDOT) for transportation projects face heavy financial burdens when the cost of a project managed by TxDOT exceeds the amount of the grant awarded. H.B. 2673 would incentivize TxDOT to control the costs of these grant-based projects by requiring reimbursement to a grant recipient for costs that exceed the amount of the grant awarded.

H.B. 2673 amends current law relating to the reimbursement of excess costs incurred by a recipient of certain grants awarded by the Texas Department of Transportation.

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 I, Chapter 201, Transportation Code, by adding Section 201.712, as follows:

Sec. 201.712. REIMBURSEMENT OF EXCESS COSTS INCURRED BY CERTAIN GRANT RECIPIENTS. (a) Provides that this section applies only to a grant awarded by the Texas Department of Transportation (TxDOT) for the construction of a transportation project in a county with a population of less than 25,000 or a municipality with a population of less than 15,000.

(b) Requires TxDOT to reimburse a grant recipient for costs incurred by the recipient that exceed the amount of the grant awarded by TxDOT if the construction of the transportation project is managed by TxDOT.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2021.