

BILL ANALYSIS

Senate Research Center
87R3770 SRA-F

S.B. 1270
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Transportation
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Road, traffic control, and safety materials must be procured under a qualified low-bid process required by Section 223.001, Transportation Code, which generally takes between six and nine weeks to complete. When smaller quantities of materials are needed to complete a repair in a timely manner, the low-bid process can become burdensome and lengthy.

Additionally, maintenance projects must be procured under the same qualified low-bid process or as a purchase of services under the purchasing act through a formal solicitation process, which is currently capped for a contract at \$25,000. When smaller maintenance projects are needed that result in a cost over \$25,000, the low-bid process causes similar inconveniences.

S.B. 1270 provides a remedy to the Texas Department of Transportation's (TxDOT) prolonged low-bid process by expediting their procurement process, resulting in quicker repairs and maintenance times.

S.B. 1270 amends Section 223.001, Transportation Code, to allow TxDOT to purchase road, traffic control, and safety materials as a commodity purchase under Subtitle D, Title 10, Government Code, not to exceed the Comptroller of Public Accounts of the State of Texas delegated limits for TxDOT (currently \$50,000).

S.B. 1270 also amends Section 223.042, Transportation Code, to allow TxDOT to procure maintenance projects as a purchase of services under the purchasing act up to the current comptroller delegated limit (currently \$100,000).

As proposed, S.B. 1270 amends current law relating to certain contracts 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 Section 223.001, Transportation Code, by amending Subsection (b) and adding Subsection (c), as follows:

(b) Creates exceptions under Subsection (c) and Section 223.042(c) to the requirement that the Texas Department of Transportation (TxDOT) submit competitive bids for:

- (1) the improvement of a highway;
- (2) materials to be used in the construction or maintenance of a highway; or
- (3) traffic control or safety devices to be used on a highway.

(c) Authorizes TxDOT to award a contract described by Subsection (b)(2) or (3) as a purchase of goods under Subtitle D (State Purchasing and General Services), Title 10 (General Government), Government Code, if TxDOT:

(1) estimates that the contract will involve an amount for which the Comptroller of Public Accounts of the State of Texas (comptroller) has delegated purchasing authority for the purchase of goods to state agencies under rules adopted by the comptroller under Subchapter C (Delegations of and Exclusions From Comptroller's Purchasing Authority and Certain Exemptions From Competitive Bidding), Chapter 2155 (Purchasing: General Rules and Procedures), Government Code; and

(2) determines that the competitive bidding procedure in Chapter 223 (Bids and Contracts for Highway Projects) is not practical.

SECTION 2. Amends Section 223.042(c), Transportation Code, as follows:

(c) Authorizes TxDOT to award a contract under Section 223.042 (Privatization of Maintenance Contracts) as a purchase of service under Subtitle D, Title 10, Government Code, if TxDOT:

(1) estimates that the contract will involve an amount for which the comptroller has delegated purchasing authority for the purchase of services to state agencies under rules adopted by the comptroller under Subchapter C, Chapter 2155, Government Code, rather than estimates that the contract will involve an amount for which a formal solicitation process is not required under rules relating to the delegation of purchasing authority to state agencies adopted by the comptroller under Subchapter C, Chapter 2155, Government Code; and

(2) makes no changes to this subdivision.

SECTION 3. Makes application of this Act prospective.

SECTION 4. Effective date: upon passage or September 1, 2021.