

BILL ANALYSIS

C.S.S.B. 1021
By: Nichols
Transportation
Committee Report (Substituted)

BACKGROUND AND PURPOSE

In recent years, the Texas Department of Transportation (TxDOT) and its partners in the construction industry have experienced increasing inflationary pressures, paired with labor and material supply challenges, which have raised the cost to build Texas highways. Current law allows TxDOT district engineers to award local let highway improvement and maintenance projects with an engineer's estimate of less than \$300,000, an amount that has remained unchanged since 1997. C.S.S.B. 1021 seeks to raise the cap to \$1 million in order to keep up with inflation and help ensure that these smaller highway projects are let and delivered expediently and under the control of the local TxDOT district.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Transportation Commission in SECTION 2 of this bill.

ANALYSIS

C.S.S.B. 1021 amends the Transportation Code to make the following changes to the authorization for the Texas Transportation Commission to allow bids on highway project contracts estimated to involve an amount less than \$300,000 to be filed with the district engineer at the headquarters for the district in which the improvement is to be made and opened and read at a public meeting held by the engineer or their designee:

- increases that cap from less than \$300,000 to less than \$1 million; and
- specifies that the authorization applies to contracts other than building construction contracts.

The bill authorizes the commission by rule to allow bids on a building construction contract estimated to involve an amount less than \$1 million to be filed with the director of the division of the Texas Department of Transportation (TxDOT) that is responsible for the construction of the building and to be opened and read at a public meeting held by the division director or their designee. The bill applies only to bids for which the notice of bid is given on or after the bill's effective date.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2023.

COMPARISON OF SENATE ENGROSSED AND SUBSTITUTE

While C.S.S.B. 1021 may differ from the engrossed in minor or nonsubstantive ways, the following summarizes the substantial differences between the engrossed and committee substitute versions of the bill.

The substitute includes provisions absent from the engrossed that do the following:

- specify that the existing authorization for the commission to allow bids for certain contracts to be filed with a district engineer applies to contracts other than building construction contracts; and
- authorize the commission by rule to allow bids on a building construction contract estimated to involve less than \$1 million to be filed with the director of the division of TxDOT that is responsible for the construction of the building and to be opened and read at a public meeting held by the division director or their designee.