

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION**

**May 4, 2023**

**TO:** Honorable Robert Nichols, Chair, Senate Committee on Transportation

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB3989** by Raney (Relating to the adoption of a policy on the preclusion of private design professionals from contracting with the Texas Department of Transportation.), **As Engrossed**

**No significant fiscal implication to the State is anticipated.**

The bill would amend Government Code, Chapter 2261, relating to state contracting standards, to require the Texas Department of Transportation to adopt a written preclusion policy before TxDOT can determine that a private design professional is precluded from performing a contract for architectural or engineering services or participating in a procurement for those services. The bill would require the policy to (1) be published or distributed in a manner to make statewide private design professionals aware of the policy, (2) provide that a professional affected by the preclusion be notified in writing at the time TxDOT determines a potential basis for preclusion exists, and (3) establish an appeals process that allows a reasonable time for a design professional to appeal the decision and establish no basis for preclusion exists.

Based on the information provided by TxDOT, it is assumed any costs or duties associated with implementing the provisions of the bill could be absorbed within the agency's existing resources.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 601 Department of Transportation

**LBB Staff:** JMc, AAL, TG