

BILL ANALYSIS

S.B. 1066
By: Perry
Culture, Recreation & Tourism
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Current law requires payment bonds for public work construction contracts greater than \$25,000 and performance bonds for such contracts greater than \$100,000. The bill sponsor has informed the committee that public works projects have continued to increase in size and complexity since these threshold amounts were first established in the 1990s, and the Parks and Wildlife Department (TPWD) has faced challenges in finding contractors, as the threshold amounts are cost prohibitive for smaller contractors and contractors in rural areas where TPWD maintains facilities. S.B. 1066 seeks to address this issue by raising the contract threshold amount for performance and payment bonds for TPWD construction projects to greater than \$150,000, which would reduce administrative burden on contractors and TPWD staff while lowering project costs and increasing the state's bidding pool by enabling more small businesses to compete.

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 this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

S.B. 1066 amends the Parks and Wildlife Code to require the Parks and Wildlife Department (TPWD), TPWD's executive director, or the executive director's designee, if the value of a contract for professional services relating to a TPWD project that involves constructing, altering, or repairing a public building or carrying out or completing any public work exceeds \$150,000, to require the contractor to execute a performance bond and a payment bond to TPWD before beginning work.

S.B. 1066 applies only to a contract for which TPWD first advertises or otherwise requests bids, proposals, offers, or qualifications, or makes a similar solicitation, on or after the bill's effective date. A contract for which TPWD first advertises or otherwise requests bids, proposals, offers, or qualifications or makes a similar solicitation before the bill's effective date is governed by the law as it existed immediately before that date, and that law is continued in effect for that purpose.

EFFECTIVE DATE

September 1, 2025.