# **BILL ANALYSIS**

Senate Research Center 76R6911 T S.B. 735 By: Armbrister Infrastructure 3/8/1999 As Filed

# DIGEST

Currently, the Texas Department of Transportation (TxDOT) employs a vehicle maintenance and repair pilot project, and maintains a 25 percent goal for outsourcing total equipment maintenance. The pilot program for the maintenance and repair of all TxDOT vehicles originated from a provision of Sunset legislation enacted by the 75th Legislature. The legislation requires TxDOT to use a two-year pilot project to determine whether contracting with a private entity would be cost-effective. The results of the pilot study indicate that outsourcing all TxDOT vehicle maintenance would not be cost-effective, but the state may gain new efficiencies by raising the outsourcing goal for equipment maintenance. S.B. 735 repeals Section 201.705, Transportation Code, relating to the vehicle maintenance outsourcing pilot program, and raises the percentage of outsourcing to 35 percent.

#### **PURPOSE**

As proposed, S.B. 735 repeals Section 201.705, Transportation Code, and requires the Texas Department of Transportation to raise the percentage of contracts for vehicle maintenance and repair to 35 percent.

#### **RULEMAKING AUTHORITY**

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

### SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 201.704(b), Transportation Code, by requiring the Texas Department of Transportation to spend for all contracts under this section not less than 35 percent, rather than 25 percent, of the total amount it spends for vehicle repair and maintenance in that year.

SECTION 2. Repealer: Section 201.705, Transportation Code, (Pilot Project on Vehicle Maintenance Outsourcing).

SECTION 3. Emergency clause. Effective date: upon passage.