

BILL ANALYSIS

Senate Research Center

S.C.R. 58
By: Barrientos
Administration
5/11/2001
As Filed

DIGEST

On August 10, 1998, the Office of the Attorney General of the State of Texas awarded RFD & Associates, Inc., a contract for design, development, testing, and implementation of a legal case management system. RFD & Associates, Inc., worked in good faith and substantially complied with the terms and specifications of the contract. On February 25, 1999, the Office of the Attorney General granted an extension of the original contract, both as to the amounts payable under the contract and as to the time of completion, due to the desire of the Office of the Attorney General to make changes in the system it had originally requested. Following this extension of the original contract, the Office of the Attorney General repeatedly requested additional changes in the system's design and those changes were agreed to and made in good faith by RFD & Associates, Inc. The Office of the Attorney General agreed in writing to pay additional amounts for the desired system changes. After RFD & Associates, Inc., substantially performed as directed under the terms of the contract, the Office of the Attorney General unilaterally terminated the process of testing the system that had been made part of the contract. The Office of the Attorney General refused to pay the amounts due and owing RFD & Associates, Inc., under the contract, including the amount or fair market value of the orders or requests for additional work made by the Office of the Attorney General. By its actions the Office of the Attorney General has breached the contract.

PURPOSE

As proposed, S.C.R. 58 submits the following resolutions:

Provides that by the Texas Legislature, the RFD & Associates, Inc., is granted permission to sue the State of Texas and the Office of the Attorney General subject to Chapter 107, Civil Practice and Remedies Code. Provides that the total of all damages awarded in the suit authorized by this resolution, including any court costs, attorney's fees, and prejudgment interest awarded under law, may not exceed \$650,000, and that RFD & Associates, Inc., may not plead an amount in excess of that amount in a suit authorized by this resolution. Requires that the Attorney General of the State of Texas be served process as provided by Chapter 107, Civil Practice and Remedies Code. Provides that the Legislature of the State of Texas did not intend by the enactment of Chapter 2260, Government Code, to divest future legislatures of the authority to consider and deny or grant consents to suit under Chapter 107, Civil Practice and Remedies Code, irrespective of compliance with Chapter 2260, and the Legislature of the State of Texas specifically reserves this authority to itself.