

## **BILL ANALYSIS**

Senate Research Center

H.B. 2092  
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Infrastructure Development and Security  
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Engrossed

### **DIGEST AND PURPOSE**

Currently, Chapter 223, Subchapter A of the Transportation Code sets out a formal advertisement and contract letting procedures that the Texas Department of Transportation (TxDOT) must follow for all highway improvement contracts, including maintenance contracts, regardless of the size of the contract. Section 223.042 requires that TxDOT spend at least half of its maintenance project funds on controlled maintenance.

At the time that the statutes establishing formal contract letting procedures went into effect, TxDOT typically contracted out only larger projects and performed smaller projects with its own forces. Section 223.042, enacted in 1991, increased the number of smaller projects TxDOT contracts out, but requires TxDOT to award those contracts under the formal advertisement and bid opening procedures in Chapter 223 of the Transportation Code. This often results in the cost of letting exceeding the cost of the work.

H.B. 2092 authorizes TxDOT to procure highway maintenance contracts using competitive bid procedures or purchasing act procedures when the amount of the contract is less than \$15,000.

### **RULEMAKING AUTHORITY**

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

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 223.042, Transportation Code, as follows:

Sec. 223.042. PRIVATIZATION OF MAINTENANCE CONTRACTS. (c)  
Authorizes the Texas Department of Transportation (TxDOT) to award a contract under this section as a purchase of service under Subtitle D, Title 10, Government Code, if TxDOT:

- (1) estimates that the contract will involve an amount less than \$15,000;  
and
- (2) determines that the competitive bidding procedure in this chapter is not practical.

(d) Creates this subsection from text of existing Subsection (c) and redesignates former Subsections (d)-(h) as (e)-(i).

SECTION 2. Effective date: upon passage or September 1, 2003.