

BILL ANALYSIS

Senate Research Center

S.B. 1594
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S/C on Higher Education
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As Filed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Currently the State of Texas has two agencies with the authority to implement small and minority business construction technical assistance programs.

The authority provided to the Texas Building and Procurement Commission (TBPC) is limited to its own facilities' construction projects and only when the project exceeds a \$20 million dollar baseline. Although the program authority has been provided to TBPC for over four years, the authority has never been exercised.

The Texas Department of Transportation (TxDOT) also has a "technical assistance" program but is limited specifically to those small companies doing business with TxDOT itself. The program is limited given the federal funding sources and subsequent targeting requirements.

As proposed, S.B. 1594 specifically authorizes institutions of higher education to implement a small contractor participation assistance program in conjunction with facilities construction/renovation activities. Most of the state's largest facilities projects are under the universities' building programs purview. This includes both new construction and renovations. The type of assistance program proposed by this legislation has been successful in developing and increasing small and minority contractor participation in both new construction and renovations for the cities of Dallas, San Antonio, Austin, and Houston as well as airport and convention center facilities

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 Subchapter T, Chapter 51, Education Code, by adding Section 51.785, as follows:

Sec. 51.785. SMALL CONTRACTOR PARTICIPATION ASSISTANCE PROGRAM.

(a) Defines "governing board," "public works project," "small contractor," and "university system."

(b) Provides that this section applies only to a contract or aggregated contracts for public works projects that have an estimated cost of more than \$20 million.

(c) Requires a university system to maintain a small contractor participation assistance program to ensure full opportunity for participation in public works projects by small contractors. Sets forth certain requirements of the program.

(d) Requires a university system to provide for centralized purchasing under this section of certain coverage and bonds.

(e) Requires a technical assistance plan adopted by the university system to include certain information and assistance.

(f) Authorizes the university system to negotiate contracts with persons or firms having expertise in the areas that must be included in the system's technical assistance plan to provide the information and assistance.

SECTION 2. Effective date: September 1, 2005.