

## **BILL ANALYSIS**

H.B. 3955  
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Transportation  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Interested parties contend that while recent efforts have been made to create a more transparent and performance-based planning process at the Texas Department of Transportation (TxDOT), additional measures are needed. H.B. 3955 seeks to address this issue by changing the functions of TxDOT that relate to transportation planning and projects.

### **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 rulemaking authority is expressly granted to the Texas Transportation Commission in SECTIONS 7, 10, 12, 13 of this bill.

### **ANALYSIS**

H.B. 3955 amends the Transportation Code to include specific and clearly defined transportation system strategies, as well as other performance measures related to the system strategies and long-term transportation goals for the state, among the required contents of the statewide transportation plan developed by the Texas Department of Transportation (TxDOT) and to include those strategies and measures among the required considerations of TxDOT in selecting transportation projects under the statewide plan. The bill requires TxDOT, in developing each of its transportation plans and policy efforts, to include in the plan or policy effort the transportation system strategies, goals and measurable targets, and other related performance measures as revised by the bill and specify how the plan or policy effort is supported by such strategies, targets, and measures. The bill requires TxDOT, not later than March 1, 2018, to make any changes to each of TxDOT's transportation plans and policy efforts that are necessary to reflect the changes made by the bill. The bill requires TxDOT to conduct a comprehensive review of the project information reporting system; to incorporate feedback from internal and external users of the system and advice from the TxDOT office responsible for public involvement in conducting the review; and, not later than March 1, 2018, to develop a plan for implementing any needed improvements to the reporting system. The bill requires TxDOT to conduct the comprehensive review on a regular basis, as specified by Texas Transportation Commission rule, and requires the commission, not later than September 1, 2018, to adopt those rules. The bill requires the commission, not later than September 1, 2018, to adopt or modify rules necessary to implement changes made to the project information reporting system by the bill.

H.B. 3955 requires TxDOT, not later than March 1, 2018, to develop and prominently display on its website an easily navigable dashboard that clearly communicates to the public the transportation system strategies, goals and measurable targets, and other related performance measures and TxDOT's progress in meeting those strategies, goals and targets, and other related

performance measures. The bill requires TxDOT to regularly update the information displayed on the dashboard and to publish on its website the methodology and data used to determine TxDOT's progress in meeting those strategies, goals and targets, and performance measures.

H.B. 3955 requires TxDOT to take the following actions: conduct a comprehensive analysis regarding the effect of funding allocations made to certain funding categories and project selection decisions on accomplishing the goals described in the statewide transportation plan; provide the analysis to metropolitan planning organizations, the public, and each member of the Texas Transportation Commission for the purpose of informing deliberations on funding decisions for the unified transportation program; update the analysis as part of the TxDOT annual update to the unified transportation program and any other formal update to that program and as part of the required evaluation and annual report of the status of each transportation goal for the state; promptly publish the analysis on its website in its entirety and in summary form; and publish the methodology and data used to create the analysis on its website and make the methodology and data available to the metropolitan planning organizations, the public, and the commission. The bill includes the comprehensive analysis in the required annual update to the unified transportation program and in the annual report about the status of each transportation goal for the state and requires TxDOT to promptly publish the annual report about the status of each transportation goal for Texas on its website in summary form.

H.B. 3955 requires the Texas Transportation Commission by rule to adopt a policy comprehensively explaining TxDOT's approach to public involvement and transparency related to the unified transportation program and requires the commission to adopt the rules not later than September 1, 2018. The bill requires TxDOT, at a minimum, to make a report on any change to the unified transportation program available on its website and to provide the report to the commission in a public meeting, regardless of any rules adopted for public hearings and approvals. The bill requires the commission to collaborate with stakeholders in developing the policy. The bill requires the commission, not later than September 1, 2018, to adopt or modify rules necessary to implement provisions relating to the unified transportation program. The bill requires the commission, in prioritizing and approving projects that are included in the unified transportation program, to first evaluate projects on strategic need and potential contribution toward meeting the transportation goals of the statewide transportation plan. The bill authorizes the commission, after conducting that initial evaluation, to conduct a secondary evaluation based on other factors such as funding availability and project readiness.

H.B. 3955 replaces the requirement for each TxDOT district to develop a work program based on the unified transportation program covering a period of four years that contains all projects that the district proposes to implement during that period with a requirement for each district to develop a project portfolio based on the program covering a period of at least four years that contains all such projects. The bill requires TxDOT to develop comprehensive performance measures for key steps in the project development process for projects included in each district's project portfolio and to use the performance measures to track and report whether each district is developing an appropriate mix of projects and is on track to meet letting targets that are consistent with applicable TxDOT policy. The bill removes provisions requiring a work program to contain information regarding the progress of certain major transportation projects. The bill requires TxDOT to regularly review project development activities in each district's project portfolio for monitoring and evaluation purposes and requires TxDOT to seek key stakeholder input in conducting the review. The bill requires the commission to adopt rules as necessary to administer the bill's provisions relating to district project portfolios. The bill requires the commission, in consultation with a stakeholder group, to adopt and regularly update rules, not later than September 1, 2018, governing the overall planning, review, and monitoring process of district portfolios; specifying how planning and project stakeholders can become involved in such a process; and requiring TxDOT to regularly report in a certain manner applicable results to the commission and the public. The bill requires the commission, not later than September 1, 2018, to adopt or modify rules necessary to implement the bill's provisions relating to the district project portfolios.

H.B. 3955 requires the commission by rule to prioritize and approve projects included in the unified transportation program in order to provide applicable financial assistance. The bill requires the commission, in consultation with a stakeholder group, to adopt rules, not later than September 1, 2018, governing the following: the alignment of TxDOT's state and federal funding forecasts with the funding forecasts of metropolitan planning organizations; the alignment of the statewide project recommendation criteria developed by TxDOT with the project recommendation criteria developed by metropolitan planning organizations that relate to statewide transportation goals, particularly for major mobility projects using a mix of several funding sources and selected by different entities; TxDOT's timelines and review process for the required 10-year transportation plans; TxDOT's process for allowing metropolitan planning organizations direct access to TxDOT's information systems, software, and technical assistance for the purpose of accomplishing statewide transportation goals; TxDOT's process for collaborating with metropolitan planning organizations to regularly evaluate the availability, consistency, and quality of data and other information needed to fully develop a more performance-based transportation planning and project selection system. The bill requires a rule relating to TxDOT's timelines and review process for certain 10-year transportation plans to take into consideration a metropolitan planning organization's other deadlines and applicable federal law requirements.

H.B. 3955 revises provisions relating to contractor performance under statutory provisions relating to competitive bids for highway projects by removing certain TxDOT duties in that regard and instead requiring the commission, not later than September 1, 2018, to adopt rules, developed in consultation with certain parties, considering certain applicable criteria, and requiring certain TxDOT action, as appropriate, to establish a range of contract remedies to be included in all low-bid highway improvement contracts, to develop and implement a schedule for liquidated damages that accurately reflects the costs associated with project completion delays, and to develop a contractor performance evaluation process and an applicable evaluation tool.

**EFFECTIVE DATE**

September 1, 2017.