

BILL ANALYSIS

H.B. 633
By: Buckley
Transportation
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The Texas Department of Transportation (TxDOT) has mechanisms for holding contractors accountable through liquidated damages when projects are delayed. However, the communities affected by such delays are not guaranteed to experience any relief or direct benefit from any damages recovered by TxDOT for delayed projects in their communities. H.B. 633 seeks to address this issue by requiring TxDOT to establish a system to track liquidated damages retained by TxDOT and to allocate applicable amounts to TxDOT districts.

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

ANALYSIS

H.B. 633 amends the Transportation Code to require the Texas Department of Transportation (TxDOT) to establish a system to track liquidated damages, including road user costs, retained by TxDOT associated with delayed transportation project contracts. The bill requires the system to allow TxDOT to correlate the liquidated damages with the project that was the subject of the damages and each TxDOT district in which the project that was the subject of the damages is located. The bill requires TxDOT to determine each year for each TxDOT district the amount of money retained from such damages in the previous year that is attributable to projects located in the district and to allocate each year to each TxDOT district an amount of money determined in such a manner to be used for transportation projects located in that district. The bill authorizes TxDOT, if a transportation project that was the subject of liquidated damages is located in more than one TxDOT district, to reasonably allocate the amount of the liquidated damages from that project among the districts in which the project is located.

EFFECTIVE DATE

September 1, 2019.