

**SUBJECT:** Exempting certain utility relocation costs from procurement requirements

**COMMITTEE:** Transportation — favorable, without amendment

**VOTE:** 9 ayes — Canales, Bernal, Goldman, Leman, Martinez, Ortega, Raney, Thierry, E. Thompson

2 nays — Y. Davis, Krause

2 absent — Landgraf, Hefner

**WITNESSES:** For — (*Registered, but did not testify:* Steven Albright, AGC of Texas-Highway Heavy Branch; JJ Rocha, Texas Municipal League; Perry Fowler, Texas Water Infrastructure Network)

Against — None

On — (*Registered, but did not testify:* Brian Barth, Texas Department of Transportation)

**BACKGROUND:** Local Government Code ch. 252 governs the purchasing and contracting authority of cities, including competitive bidding requirements for certain contracts.

It has been suggested that purchasing and contracting requirements for certain city expenditures may delay highway construction projects that require the relocation of a city owned utility facility.

**DIGEST:** HB 2863 would exempt from requirements under Local Government Code ch. 252 an expenditure for the relocation or adjustment of a city-owned utility facility if it was required as a result of the construction of a state transportation project and was performed by the entity procured by the state to construct the project or a subcontractor.

The bill would apply only to an expenditure under a contract entered into on or after the bill's effective date.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2019.