

BILL ANALYSIS

C.S.H.B. 1416
By: Lucio III
Public Education
Committee Report (Substituted)

BACKGROUND AND PURPOSE

It has been noted that there are currently no uniform general conditions for public school district construction contracts comparable to those used for other state building construction projects. There have been suggestions that such uniform general conditions could lower construction costs by establishing more predictability with regard to bonding, insurance, and certain risk factors. C.S.H.B. 1416 seeks to address this issue by requiring the Texas Education Agency to adopt uniform general conditions for use in school district building construction contracts.

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 Education Agency in SECTION 1 of this bill.

ANALYSIS

C.S.H.B. 1416 amends the Education Code to require the Texas Education Agency (TEA), after reviewing the uniform general conditions adopted by the Texas Facilities Commission (TFC) for incorporation into state building construction contracts and not later than the 180th day after the bill's effective date, to adopt by rule uniform general conditions that may be incorporated in all building construction contracts made by public school districts. The bill requires TEA, not later than the 180th day after the date the TFC adopts additional uniform general conditions or amends the commission's uniform general conditions, to review those TFC additions or amendments and the TEA uniform general conditions and modify the conditions for school district building construction contracts as TEA considers appropriate.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2019.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 1416 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute makes the incorporation of the uniform general conditions adopted by TEA rule in all building construction contracts made by school districts optional.