

## **BILL ANALYSIS**

C.S.H.B. 3515  
By: Thompson, Ed  
Transportation  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

In Texas, road, traffic control, and safety materials must be procured under the qualified low-bid process, which may take several weeks. When smaller quantities of materials are needed to effect a specialized repair in a timely manner, the low-bid process can be overly burdensome with long wait times. Maintenance projects must either be procured under that process or as a purchase of services under the State Purchasing and General Services Act under the formal solicitation process currently capped for a contract at \$25,000. This further complicates issues when smaller maintenance projects register over \$25,000. C.S.H.B. 3515 seeks to address this issue by revising procurement procedures for certain goods and services related to highways by the Texas Department of Transportation.

### **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**

C.S.H.B. 3515 amends the Transportation Code to authorize the Texas Department of Transportation (TxDOT) to award a contract as a purchase of goods under the State Purchasing and General Services Act for traffic control or safety devices to be used on a highway or for materials to be used in highway construction or maintenance if TxDOT does the following:

- estimates that the contract will be within an amount for which purchasing authority has been delegated to state agencies under statute or rules adopted by the comptroller of public accounts; and
- determines that the statutory competitive bidding procedure for highway projects is not practical.

The bill requires an award for a contract for materials to be used in the construction or maintenance of a highway to be made to the lowest responsive bidder and requires TxDOT, after the award of the contract for those materials or for traffic control or safety devices to be used on a highway, to post on the TxDOT website the bid tabulation for that contract.

C.S.H.B. 3515 revises the conditions under which TxDOT may award a maintenance contract as a purchase of services under the act to reflect the same conditions under which TxDOT may award a contract for traffic control or safety devices or for materials used in highway construction or maintenance as a purchase of goods under that act as provided by the bill. The bill requires TxDOT, after the award of a maintenance contract, to post on the TxDOT website the bid tabulation for that contract.

## **EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2021.

## **COMPARISON OF ORIGINAL AND SUBSTITUTE**

While C.S.H.B. 3515 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 includes the following requirements, which were absent from the original:

- the requirement for an award for a contract for materials to be used in the construction or maintenance of a highway to be made to the lowest responsive bidder; and
- requirements for TxDOT, after the award of the applicable contracts under the bill's provisions, to post on the TxDOT website the bid tabulation for the contract.

The substitute specifies that, for purposes of the original's condition that TxDOT estimate that the contract will involve an amount for which the comptroller has delegated purchasing authority to state agencies under rules adopted under applicable Government Code provisions, the estimate is that the contract will be within an amount for which purchasing authority has been delegated to state agencies under statute or rules adopted by the comptroller.