SUBJECT: Requiring reimbursements for certain TxDOT grant recipients

COMMITTEE: Transportation — committee substitute recommended

VOTE: 13 ayes — Canales, Landgraf, Bernal, Y. Davis, Goldman, Hefner,

Krause, Leman, Martinez, Ortega, Raney, Thierry, E. Thompson

0 nays

WITNESSES: For — (Registered, but did not testify: Monty Wynn, Texas Municipal

League)

Against — None

On — (Registered, but did not testify: Marc Williams, Texas Department

of Transportation)

BACKGROUND: Some have suggested that smaller cities and counties that receive grants

for transportation projects can face financial burdens if the cost of a

project exceeds the amount of the grant awarded.

DIGEST: CSHB 4498 would require the Texas Department of Transportation

(TxDOT) to reimburse a grant recipient for costs incurred by the recipient that exceeded the amount of the awarded grant if the construction of the

transportation project was managed by TxDOT.

The bill would apply only to a grant awarded by TxDOT for a project in a

county or city with a population under 15,000.

The bill would take effect September 1, 2019.

NOTES: According to the Legislative Budget Board, the fiscal implications of the

bill cannot be determined at this time because the number and scope of grants for transportation projects in the affected areas and the potential cost overruns for those projects are unknown. The bill would result in an

indeterminate cost to the Texas Department of Transportation.

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