

BILL ANALYSIS

Senate Research Center
88R19798 SCP-F

H.B. 3437
By: Holland (Nichols)
Water, Agriculture & Rural Affairs
5/5/2023
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Under current law, a water district board may grant authority to an official or employee responsible for purchasing or administering a contract to approve a change order that involves an increase or decrease of \$50,000 or less. The threshold was established over 10 years ago and has since not been updated to reflect construction cost increases. H.B. 3437 seeks to raise the threshold from \$50,000 or less to \$150,000 or less.

H.B. 3437 amends current law relating to the authority to approve change orders for certain contracts for the construction, repair, and renovation of water district facilities.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 49.273(i), Water Code, to authorize the governing body of certain districts to grant authority to an official or employee responsible for purchasing or for administering a contract to approve a change order that involves an increase or decrease of \$150,000 or less, rather than \$50,000 or less.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2023.