

BILL ANALYSIS

C.S.H.B. 3434
By: Koop
Public Education
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties contend that without uniform general conditions for school district building construction contracts, school districts in Texas may each have their own general conditions, which can lead to inefficiencies, unpredictability with respect to bonding and insurance, and higher costs for construction projects. C.S.H.B. 3434 seeks to provide predictability, efficiency, and lower costs by providing for uniform general conditions for 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. 3434 amends the Education Code to require the Texas Education Agency (TEA), after reviewing the uniform general conditions adopted by the Texas Facilities Commission (TFC) to be incorporated into all building construction contracts made by the state, 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 conditions or amends the conditions, to review those additions or amendments and the TEA uniform general conditions and to modify the TEA conditions as TEA considers appropriate. The bill requires TEA, not later than the 180th day after the bill's effective date, to adopt by rule the initial uniform general conditions.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2017.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 3434 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED	HOUSE COMMITTEE SUBSTITUTE
SECTION 1. Subchapter B, Chapter 44,	SECTION 1. Subchapter B, Chapter 44,

Education Code, is amended by adding Section 44.035 to read as follows:

Sec. 44.035. ADOPTION OF UNIFORM GENERAL CONDITIONS FOR SCHOOL DISTRICT CONSTRUCTION CONTRACTS. (a) After reviewing the uniform general conditions adopted by the Texas Facilities Commission under Section 2166.302, Government Code, the agency by rule shall adopt uniform general conditions to be incorporated in all building construction contracts made by school districts.

(b) Not later than the 180th day after the date the Texas Facilities Commission adopts additional uniform general conditions or amends the uniform general conditions adopted under Section 2166.302, Government Code, the agency shall review those additions or amendments and the agency's uniform general conditions for school district building construction contracts and modify the conditions for school district contracts as the agency considers appropriate.

SECTION 2. Not later than the 180th day after the effective date of this Act, the Texas Education Agency by rule shall adopt the initial uniform general conditions applicable to building construction contracts made by school districts as provided by Section 44.035(a), Education Code, as added by this Act.

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

Education Code, is amended by adding Section 44.035 to read as follows:

Sec. 44.035. ADOPTION OF UNIFORM GENERAL CONDITIONS FOR SCHOOL DISTRICT CONSTRUCTION CONTRACTS. (a) After reviewing the uniform general conditions adopted by the Texas Facilities Commission under Section 2166.302, Government Code, the agency by rule shall adopt uniform general conditions that may be incorporated in all building construction contracts made by school districts.

(b) Not later than the 180th day after the date the Texas Facilities Commission adopts additional uniform general conditions or amends the uniform general conditions adopted under Section 2166.302, Government Code, the agency shall review those additions or amendments and the agency's uniform general conditions for school district building construction contracts and modify the conditions for school district contracts as the agency considers appropriate.

SECTION 2. Same as introduced version.

SECTION 3. Same as introduced version.