

BILL ANALYSIS

H.B. 4420
By: Krause
State Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

It has been suggested that if state agencies used the public-private partnership model to finance certain large scale projects, the agency could conserve taxpayer resources and speed up construction. H.B. 4420 seeks to gauge those potential benefits by providing for a study on the economic impact and feasibility of public-private partnerships as an alternative delivery method for certain Texas Department of Transportation and Texas Water Development Board projects.

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

H.B. 4420 requires the comptroller of public accounts, in conjunction with the Texas Department of Transportation (TxDOT) and the Texas Water Development Board (TWDB), to conduct a study on the economic impact and feasibility of public-private partnerships as an alternative delivery method for certain TxDOT and TWDB projects. For purposes of the study, the bill requires TxDOT and the TWDB to do the following not later than December 31, 2021:

- for TxDOT, conduct a comprehensive review of all proposed road projects with a project value of more than \$1 billion and submit a report of those projects to the comptroller; and
- for the TWDB, conduct a comprehensive review of all projects in the state water plan with an estimated project value of more than \$1 billion and submit a report of those projects to the comptroller.

H.B. 4420 requires the comptroller, in conducting the study, to analyze the projects included in those reports and determine the following for each project:

- the feasibility of using an alternative project delivery method;
- the estimated savings to the state if the project used an alternative project delivery method;
- the estimated amount of local money necessary to construct or complete the project using traditional project delivery methods compared to the money necessary for the project using an alternative project delivery method; and
- the amount of additional money available to other regions of Texas if the project used an alternative project delivery method.

The bill requires the comptroller, not later than September 1, 2022, to submit a report on the results of the study and any recommendations relating to the study, including any necessary

statutory changes, to the governor, the lieutenant governor, the speaker of the house of representatives, and the presiding officer of each standing committee of the legislature with jurisdiction over transportation and water matters. The bill's provisions expire September 1, 2023.

EFFECTIVE DATE

September 1, 2021.