

SUBJECT: Allocating money associated with delays of transportation projects

COMMITTEE: Transportation — favorable, without amendment

VOTE: 9 ayes — Canales, Landgraf, Bernal, Hefner, Leman, Martinez, Ortega, Raney, Thierry

0 nays

4 absent — Y. Davis, Goldman, Krause, E. Thompson

SENATE VOTE: On final passage, March 18 — 30-0

WITNESSES: *On House companion bill, HB 633:*
For — (*Registered, but not testifying:* Steven Albright, AGC of Texas-Highway Heavy Branch; Matthew Geske, Austin Chamber of Commerce; Jim Sewell)

Against — None

On — (*Registered, but not testifying:* Michael Lee, Texas Department of Transportation)

DIGEST: SB 282 would require the Texas Department of Transportation (TxDOT) to establish a system to track liquidated damages associated with delayed transportation construction contracts.

TxDOT would be required to determine the amount of money received in liquidated damages from each of TxDOT's districts from this system and return those damages to the district in which the contract originated. If the project that was the subject of the liquidated damages was located in more than one district, TxDOT could reasonably allocate the returned amount among the districts in which the project was located.

The bill would take effect September 1, 2019.

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**SUPPORTERS
SAY:**

SB 282 would codify the current Texas Department of Transportation (TxDOT) policy to return contract penalties from late projects to districts that were injured by delays. The bill would ensure that funds made available in this manner stayed in the district where they could correct the harm caused by late projects.

**OPPONENTS
SAY:**

No concerns identified.