

## **BILL ANALYSIS**

Senate Research Center

C.S.S.B. 1195  
By: Shapiro  
State Affairs  
4/19/1999  
Committee Report (Substituted)

### **DIGEST**

Currently, there is a growing impetus in the state to encourage the use of recycled products whenever feasible. It is believed that such action helps to reduce the amount of material going into landfills. C.S.S.B. 1195 reduces the amount of retainage that the Texas Department of Transportation (TxDOT) withholds from contractors until completion of a project, from 5 percent of the total cost to 4 percent, if TxDOT-approved materials are used.

### **PURPOSE**

As proposed, C.S.S.B. 1195 sets forth requirements for retainage on highway contracts involving recycled petroleum products..

### **RULEMAKING AUTHORITY**

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

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 223.010(a), Transportation Code, to require five percent of a contract price to be retained until an improvement has been completed, except as provided by Section 223.0105(d).

SECTION 2. Amends Chapter 223A, Transportation Code, by adding Section 233.0105, as follows:

Sec. 223.0105. CONTRACTS INVOLVING USE OF RECYCLED PETROLEUM PRODUCTS. Defines "recycled petroleum product." Requires the Texas Department of Transportation (TxDOT) to adopt standards for requiring or permitting a contract to use recycled petroleum products (recycled products), and specifications as to the types, qualities, and quantities of recycled products that may be involved in a contract. Requires a standard or specification adopted by TxDOT to be reasonable and is prohibited from permitting the use of recycled products of a type or quantity or manner that is a hazard to the public health or the environment. Requires four percent of a contract price to be retained until the entire improvement is completed and accepted if the contract includes the use of recycled products.

SECTION 2. (a) Effective date: September 1, 1999.

(b) Requires TxDOT to adopt standards and specifications necessary to implement Section 223.0105, Transportation Code, no later than December 31, 1999.

SECTION 3. Emergency clause.

### **SUMMARY OF COMMITTEE CHANGES**

Relating clause.

Provides that this Act relates to contracts involving the use of recycled products entered into by TxDOT for improvements to state highways and to the retainage of payments under those contracts.

SECTION 1.

Amends Section 223.010(a), Transportation Code, to require five percent of a contract price to be retained until an improvement has been completed, except as provided by Section 223.0105(d).

**SECTION 2.**

Amends Chapter 223A, Transportation Code, by adding Section 223.0105, to set forth requirements regarding TxDOT standards and specifications for the use of recycled products under certain contracts.