

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 621
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Transportation & Homeland Security
3/16/2007
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, the Texas Department of Transportation (TxDOT) is statutorily required to pay bidders for their work proposals for a roadway project, even if they are not awarded the bid. These payments, sometimes called "work-product" or "consolation" stipends, although intended to encourage a more competitive field of bidders, cost the state substantial sums of money and are not proven to increase competition.

C.S.S.B. 621 authorizes, rather than requires, TxDOT to pay consolation stipends to bidders who do not ultimately win a transportation project.

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 223.203(m), Transportation Code, to authorize, rather than require, the Texas Department of Transportation to pay an unsuccessful private entity that submits a proposal for a roadway project a stipulated amount for the work product contained in the proposal.

SECTION 2. Effective date: upon passage or September 1, 2007.