

BILL ANALYSIS

Senate Research Center
82R17142 MXM-F

H.B. 2729
By: Callegari (Watson)
Economic Development
5/16/2011
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

This bill will clarify authority needed by local governments to enter into a contract with a private entity to act as the governmental entity's agent in the design, development, financing, maintenance, operation, and/or construction of a facility or civil works project.

As proposed, this bill allows cities, counties, river authorities, and certain special districts to select an agent for the delivery of a civil works project. The bill does not apply to tollways, mobile authorities, or water districts with populations less than 50,000.

In addition, H.B. 2729 includes several standard procurement safeguards, including that the local governmental entity selects a private entity on the basis of the entity's qualifications and experience. The private entity is required to comply with all requirements within the Texas engineering and architecture practice acts and must abide by all applicable laws relating to construction bidding. The bill does not change how local governments are currently executing these contracts, but reaffirms their authority and helps secure methods of financing.

H.B. 2729 amends current law relating to local government contracts with private entities for civil works projects and improvements to real property.

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 Subchapter Z, Chapter 271, Local Government Code, is amended by adding Section 271.908, as follows:

Sec. 271.908. LOCAL GOVERNMENT CONTRACTS WITH PRIVATE ENTITIES FOR CIVIL WORKS PROJECTS AND IMPROVEMENTS TO REAL PROPERTY. (a) Defines, in this section, "civil works project" and "local governmental entity."

(b) Authorizes a local governmental entity to contract with a private entity to act as the local governmental entity's agent in the design, development, financing, maintenance, operation, or construction, including oversight and inspection, of a civil works project, or an improvement to real property.

(c) Requires a local governmental entity contracting under this section to select a private entity based on the private entity's qualifications and experience, and enter into a project development agreement with the private entity.

(d) Requires the selected private entity to comply with Chapters 1001 (Engineers) and 1051 (Texas Board of Architectural Examiners; General Provisions Affecting Architects, Landscape Architects, and Interior Designers; Provisions Affecting Only Architects), Occupations Code, all laws related to procurement of professional services under Chapter 2254 (Professional and Consulting Services),

Government Code, and all laws relating to procurement under this chapter that apply to the local governmental entity that selected the private entity.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: upon passage or September 1, 2011.