

HB 359 -- Design-Build Highway Project Contracts

Sponsor: Denison

This bill allows the Highways and Transportation Commission to enter into more than three design-build highway project contracts.

The design-builder is required to provide to the commission his or her bid, performance and payment bonds, or letters of credit on forms as the commission determines to be adequate. The performance bond or bonds for the construction period specified must be equal to a reasonable estimate of the total cost of construction work unless the commission determines in writing that the amount is impractical, in which case the commission must establish the amount. Currently, the bond or bonds must be in an aggregate amount of \$200 million or 25% of a reasonable estimate of the cost of construction work, whichever is lower, unless the commission allows other security.

The bill contains an emergency clause and will become effective upon appropriation of federal-aid highway funds.