



Association for the Improvement
of American Infrastructure

P3 Snapshot: Texas

SUMMARY OF P3 LEGISLATIVE STATUS:

Broadly enabled for P3 procurements.

- 1. Does this state have broadly enabling P3 legislation?**
Texas is authorized to conduct P3 procurements for a wide range of eligible infrastructure, including transportation, municipal facilities and environmental projects.
- 2. Does the state allow for **Unsolicited Proposals**?**
TX does not allow for unsolicited proposals for municipal or environmental facilities. There are provisions which allow for the submission of unsolicited proposals for certain transportation asset classes in eligible project categories.
- 3. What is the state's P3 **Review Process**?**
Competitive, multi-phase review and bidding for public works infrastructure projects.
- 4. Does the state have a **Centralized Agency** dedicated to P3?**
TxDOT is the centralized resource for eligible transportation projects. The Texas Center for Alternative finance and Procurement ("CAP") is a statewide resource for pre-solicitation advisory services in support of procurement at the state agency level, as well as in support of regional authorities, counties and municipalities.
- 5. Is this a **Home Rule state**, with limitations or opportunities for P3?**
Texas employs Dillon's Rule to all municipalities, which allows the state legislature to control local government structure, methods of financing its activities and procedures.
- 6. Does this state have programmatic requirements for P3 participation (ie MWDBE or labor)?**
Texas law requires payment and performance bonds that comply with the state's 'Little Miller Act' for all construction activities in a P3. Letters of credit could be required for the development and operations of eligible projects. Participation is managed in accordance with state procurement guidelines, and is not specifically addressed in P3 statute. Sources of funds dictates compliance, including specific provisions for MWDBE participation, based on use of Federal funding. Davis-Bacon compliance dictates labor or prevailing wage requirements, in the context of pertinent labor categories.
- 7. Are P3 projects in this state eligible for other financing programs?**
TxDOT or its private partner may combine Federal, State, local and private funds to finance a public-private transportation project. TIFIA loans are not specifically identified as such a financing resource. The relevant law permits local/state/Federal funds to be combined with private sector funds on a P3 project.
- 8. What Projects or Asset Classes are eligible for P3 in this state?**
TxDOT roads and highways, including revenue risk projects (i.e., toll roads and managed lanes). P3 authority also extends to any ferry, mass transit facility, vehicle parking, port facility, power generation, fuel supply, oil and gas pipeline, water supply, public work, waste treatment, hospital, school, medical or nursing care facility, recreational facility, public building.
- 9. Are there Projects where the P3 procurement method has been applied?**
TxDOT: North Tarrant Express; LBJ Freeway; SH-288. Texas A & M University: campus living, student housing, medical academic buildings and energy-related projects. University of Texas, Dallas: student housing.
- 10. What is the legislative foundation for P3s in this state?**
TX Code 2267 & 2268: municipal facilities, environmental projects (and non-TxDOT roads). Texas Transportation Code Ann. §§222.001 to 107 for State DOT, regional tollway authorities, regional mobility authorities, counties and municipalities. TX Transp. Code Ann. §91.054; §§223.201 to 210; chap. 228; §§371.001 to 153 for TxDOT TX Transp. Code Ann. §366.401 to 409; §§371.001 to 153 - Regional tollway authorities. TX Transp. Code Ann. chap. 284 (subject to chap. 223 and chap. 366); §§371.001 to 153 for counties (with specific restrictions (population and location)).

D: Design | **B:** Build | **F:** Finance | **O:** Operate | **M:** Maintain