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**HB 2634 CONTRACTING REFORM LEGISLATION CLOSES
LOOPHOLE ENSURING CONTRACTS ARE NOT RIGGED FOR
RELATED ENTITIES**

Reform Legislation will ensure Construction Manager-at-Risk complies with industry best practices ensuring competition, fairness and eliminates conflicts of interest.

MAY 22, 2015 Austin, Texas –

On May 21, 2015 the Texas Water Infrastructure Network (TxWIN) Executive Director Perry L. Fowler and concerned members of the Texas construction industry [testified for HB 2634](#) by Representative John Kuempel (R-Seguin), sponsored by Senator Judith Zaffirini (D-Laredo) before the Texas Senate Business and Commerce Committee.

HB 2634 is bi-partisan legislation that passed the House of Representatives on April 5 by a vote of (143-0). HB 2634 closes a loophole in the Construction Manager-at-Risk contracting method that allows design professionals with integrated or “related” construction entities to craft contract selection and award criteria to favor themselves. This is a predatory practice that undermines the competitive process and presents a significant conflict of interest placing public dollars at risk.

According to Fowler, “ Utilizing CMAR in a way that eliminates competition by crafting qualifications that only allow a single company to compete for construction projects is contrary to industry best practices and is essentially de-facto design-build without the benefit of protection and safeguards. HB 2634 ensures CMAR is not abused and does not take the ability of public entities to use CMAR away, only that it will be used correctly.”

Washington, DC based interest groups in league with opponents of this legislation are trying to defend the practice currently allowed by the loophole by defending a practice of letting companies influence specification that favor themselves. [This is contrary to industry best practices, competition and the interests of the public.](#)

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TxWIN is a 501 C-6 not for profit trade association composed of companies and service providers in the Texas water infrastructure industry. The Texas Water Infrastructure Network (TxWIN) is the only statewide industry association solely dedicated to issues related to water infrastructure design and construction in Texas.

