

BILL ANALYSIS

H.B. 51
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Border and International Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The quality of life for Texans might be greatly improved by creating a form of transportation that provides a safer, faster, and more reliable means for people to travel in the Texas-Mexico and Texas-Louisiana border regions. Such a system could reduce air pollution and support economic growth. H.B. 51 would create a border region high speed rail authority to finance, construct, maintain, and operate a high speed rail system in the border regions of Texas.

RULEMAKING AUTHORITY

This bill expressly delegates rule-making authority to a border region high-speed rail authority in SECTION 1 (Article 6550c-4, Sec. 3 & Sec. 6, Sec. Vernon's Civil Statutes).

ANALYSIS

SECTION 1. H.B. 51 amends the Revised Statutes to allow the Texas Transportation Commission (commission) to authorize the creation of a border region high-speed rail authority (authority) for the purposes of financing, acquiring property for, constructing, maintaining, and operating a high-speed rail system. H.B. 51 provides for the appointment, composition, and operation of a board of governors of the authority.

H.B. 51 sets forth the powers and duties of the authority. The bill provides that the authority is considered a public body and a political subdivision of the state and is subject to the Texas Sunset Act. The bill authorizes and provides for the authority to sue and be sued in all courts, to acquire and hold, use, sell or lease real or personal property, licenses, patents, rights and to acquire, own and maintain intermodal and high-speed rail facilities to connect political subdivisions in the applicable border regions.

H.B. 51 authorizes and provides for the authority, with the consent of a municipality or any other political subdivision, to use streets, highways and other public ways and to relocate or alter (at the authority's expense) any highway, road, telephone and electric lines, pipelines and conduits (whether publicly or privately owned) in order to construct and operate the system. The bill prohibits the authority from using or altering a highway or road that is part of the state highway system without permission of the Texas Transportation Commission, and from using a railroad without permission of the Texas Railroad Commission.

H.B. 51 grants the authority the right of eminent domain, and specifies that the power of eminent domain does not apply to land under the jurisdiction of the department or rail line owned by a common carrier or municipality. The bill authorizes and provides for the authority to make agreements with public or private utilities, common carriers or state agencies for the joint use of facilities or properties inside or outside the border region.

H.B. 51 authorizes and provides for the authority to enter into contracts, notes, security agreements, bills of sale, deeds, etc. relating to foreign and domestic currency, in order to provide tax benefits to another party and to encourage private investment with a transportation authority.

H.B. 51 authorizes and provides for the authority to issue revenue bonds and notes for the high-speed facilities.

H.B. 51 authorizes and provides for the use of competitive bidding for contracts for more than \$15,000. H.B. 51 exempts any property, material purchases, revenues and income of the authority and the interest on a bond or note issued by the authority from all taxes imposed by this state or political subdivision.

H.B. 51 imposes and provides for the calculation of a sales and use tax on items sold on authority property.

SECTION 2. Effective date. The bill requires the commission to create the border region high-speed rail authority no later than September 1, 2004.

EFFECTIVE DATE

December 1, 2003.