1-1 Krusee (Senate Sponsor - Ogden) H.B. No. 2 1-2 1-3 (In the Senate - Received from the House September 17, 2003; September 17, 2003, read first time and referred to Committee on 1-4 Infrastructure Development and Security; September 22, 2003, reported favorably by the following vote: September 22, 2003, sent to printer.) 1-5 Yeas 7, Nays 0; 1-6

A BILL TO BE ENTITLED AN ACT

relating to the construction, acquisition, financing, maintenance, management, operation, ownership, and control of transportation facilities and the progress, improvement, policing, and safety of transportation in the state; making appropriations.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

ARTICLE 1. TEXAS TURNPIKE AUTHORITY DIVISION OF

TEXAS DEPARTMENT OF TRANSPORTATION

SECTION 1.01. Section 361.136, Transportation Code, as amended by House Bill Nos. 3184 and 3588, Acts of the 78th Legislature, Regular Session, 2003, is reenacted to read as follows:

Sec. 361.136. SEVERANCE OF REAL PROPERTY. (a) Ιf turnpike project severs an owner's real property, the department shall pay:

> (1)the value of the property acquired; and

(2) the damages to the remainder of the owner's property caused by the severance, including damages caused by the inaccessibility of one tract from the other.

(b) The department may negotiate for and purchase the severed real property or either part of the severed real property if the department and the owner agree on terms for the purchase. Instead of a single fixed payment for the real property, the department may agree to a payment to the owner in the form of:

(1) an intangible legal right to receive a percentage of identified revenue attributable to the applicable segment of the turnpike project; or

an exclusive or nonexclusive right to use or (2) operate a segment or part of the turnpike project.

(c) A right to a payment under Subsection (b)(1) is subject to any pledge of the revenue under the term of a trust agreement securing bonds issued for the project.

SECTION 1.02. Section 361.137, Transportation Code, as amended by House Bill Nos. 3184 and 3588, Acts of the 78thLegislature, Regular Session, 2003, is reenacted to read as

Sec. 361.137. DECLARATION OF TAKING. (a) The department may file a declaration of taking with the clerk of the court:

(1) in which the department files a condemnation petition under Chapter 21, Property Code; or

(2) to which the case is assigned.

(b) The department may file the declaration of taking concurrently with or subsequent to the petition but may not file the declaration after the special commissioners have made an award in the condemnation proceeding.

(c) The department may not file a declaration of taking

before the completion of:

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- $(1\bar{)}$ all environmental documentation, including a final environmental impact statement or a record of decision, that is required by federal or state law;
- (2) all public hearings and meetings, including those held in connection with the environmental process and under Sections 201.604 and 203.021, that are required by federal or state law; and
 - all notifications required by Section 203.022.
 - (d) The declaration of taking must include:
 - (1) a specific reference to the legislative authority

for the condemnation;

- (2) a description and plot plan of the real property to be condemned, including the following information if applicable:
- the municipality in which the property is (A)

located;

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- (B) the street address of the property; and the lot and block number of the property; (C)
- statement of the property interest to (3)condemned;
- $\mbox{(4)}$ the name and address of each property owner that the department can obtain after reasonable investigation and a
- description of the owner's interest in the property; and (5) a statement that immediate possession of all or part of the property to be condemned is necessary for the timely construction of a turnpike project.
- A deposit to the registry of the court of an amount (d-1)equal to the appraised value, as determined by the department, of the property to be condemned must accompany the declaration of
- The date on which the declaration is filed is the date of (e) taking for the purpose of assessing damages to which a property owner is entitled.
- (f) After a declaration of taking is filed, the case shall proceed as any other case in eminent domain under Chapter 21, Property Code.

SECTION 1.03. Section 361.138(b), Transportation Code, as amended by House Bill Nos. 3184 and 3588, Acts of the 78th Legislature, Regular Session, 2003, is reenacted to read as follows:

(b) If the condemned property is a homestead or a portion of a homestead as defined by Section 41.002, Property Code, the department may not take possession sooner than the 91st day after the date of service under Subsection (a).

SECTION 1.04. Section 361.171, Transportation Code, as amended by House Bill Nos. 3184 and 3588, Acts of the 78th Legislature, Regular Session, 2003, is reenacted and amended to read as follows:

- Sec. 361.171. TURNPIKE REVENUE BONDS. (a) The commission by order may authorize the issuance of turnpike revenue bonds to pay all or part of the cost of a turnpike project. Each project shall be financed and built by a separate bond issue. The proceeds of a bond issue may be used solely for the payment of the project for which the bonds were issued and may not be divided between or among two or more projects. Each project is a separate undertaking, the cost of which shall be determined separately.
- As determined in the order authorizing the issuance, the (b) bonds of each issue shall:
 - (1)be dated;
- (2) bear interest at the rate or rates provided by the order and beginning on the dates provided by the order and as authorized by law, or bear no interest;
- (3) mature at the time or times provided by the order, not exceeding 40 years from their date or dates; and
- (4) be made redeemable before maturity, at the price
- or prices and under the terms provided by the order.

 (c) The commission may sell the bonds at public or private sale in the manner and for the price it determines to be in the best interest of the department.
- (d) The proceeds of each bond issue shall be disbursed in the manner and under the restrictions, if any, the commission provides in the order authorizing the issuance of the bonds or in the trust agreement securing the bonds.
- (e) If the proceeds of a bond issue are less than the turnpike project cost, additional bonds may be issued in the same manner to pay the costs of a turnpike project. Unless otherwise provided in the order authorizing the issuance of the bonds or in the trust agreement securing the bonds, the additional bonds are on a parity with and are payable, without preference $\underline{\text{or}}$ [of] priority, from the same fund as the bonds first issued. In addition, the

commission may issue bonds for a turnpike project secured by a lien on the revenue of the turnpike project subordinate to the lien on the revenue securing other bonds issued for the turnpike project.

- (f) If the proceeds of a bond issue exceed the cost of the turnpike project for which the bonds were issued, the surplus shall be segregated from the other money of the commission and used only for the purposes specified in the order authorizing the issuance.
- (g) In addition to other permitted uses, the proceeds of a bond issue may be used to pay costs incurred before the issuance of the bonds, including costs of environmental review, design, acquisition of property, relocation assistance, planning, construction, and operation.
- (h) Bonds issued and delivered under this chapter and interest coupons on the bonds are a security under Chapter 8, Business & Commerce Code.
- (i) Bonds issued under this chapter and income from the bonds, including any profit made on the sale or transfer of the bonds, are exempt from taxation in this state.

SECTION 1.05. Section 361.172, Transportation Code, as amended by House Bill Nos. 3184 and 3588, Acts of the 78th Legislature, Regular Session, 2003, is reenacted to read as follows:

Sec. 361.172. APPLICABILITY OF OTHER LAW; CONFLICTS. laws affecting the issuance of bonds by governmental entities, including Chapters 1201, 1202, 1204, 1207, and 1371, Government Code, apply to bonds issued under this chapter. To the extent of a conflict between those laws and this chapter, the provisions of this chapter prevail.

SECTION 1.06. Section 361.173(a), Transportation Code, as amended by House Bill Nos. 3184 and 3588, Acts of the 78th Legislature, Regular Session, 2003, is reenacted and amended to read as follows:

- The principal of, interest on, and any redemption premium on bonds issued by the commission under this chapter are payable solely from:
- (1) the revenue of the turnpike project for which the bonds <u>are</u> [were] issued, including tolls pledged to pay the bonds; [and]
 - the proceeds of bonds issued for the turnpike (2)
- project; the amounts deposited in a debt service reserve (3) fund as required by the trust agreement securing bonds issued for the turnpike project; and

(4) amounts received under a credit agreement relating to the turnpike project for which the bonds are issued.

SECTION 1.07. Section 361.174, Transportation Code, as amended by House Bill Nos. 3184 and 3588, Acts of the 78th Legislature, Regular Session, 2003, is reenacted and amended to read as follows:

Sec. 361.174. SOURCES OF PAYMENT OF AND TURNPIKE PROJECT BONDS. Notwithstanding any other provisions of this chapter, turnpike project bonds issued by the commission may:

(1) be payable from and secured by: (A) payments made under an agreement with a local governmental entity as provided by Subchapter A, Chapter 362;

(B) the proceeds of bonds issued for the turnpike

project; or

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(C) amounts deposited in a debt service reserve fund as required by the trust agreement securing bonds issued for the turnpike project; $[\tau]$ and $\underline{(2)}$ [may] state on their faces any pledge of revenue or

taxes and any security for the bonds under the agreement.

SECTION 1.08. Section 361.177, Transportation Code, amended by House Bill Nos. 3184 and 3588, Acts of the Code, a. 78th Legislature, Regular Session, 2003, is reenacted to read as follows:

Sec. 361.177. PROVISIONS PROTECTING AND ENFORCING RIGHTS AND REMEDIES OF BONDHOLDERS. A trust agreement or order providing for the issuance of bonds may contain provisions to protect and enforce the rights and remedies of the bondholders, including:

(1) covenants establishing the commission's duties relating to:

(A) the acquisition of property;

(B) the construction, improvement, expansion, maintenance, repair, operation, and insurance of the turnpike project in connection with which the bonds were authorized; and

(C) the custody, safeguarding, and application

of money;

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- (2) covenants prescribing events that constitute default;
- (3) covenants prescribing terms on which any or all of the bonds become or may be declared due before maturity;
- (4) covenants relating to the rights, powers, liabilities, or duties that arise on the breach of a duty of the commission; and
- (5) provisions for the employment of consulting engineers in connection with the construction or operation of the turnpike project.

SECTION 1.09. Section 361.178, Transportation Code, as amended by House Bill Nos. 3184 and 3588, Acts of the 78th Legislature, Regular Session, 2003, is reenacted to read as follows:

Sec. 361.178. FURNISHING OF INDEMNIFYING BONDS OR PLEDGE OF SECURITIES. A bank or trust company incorporated under the laws of this state that acts as depository of the proceeds of bonds or of revenue may furnish indemnifying bonds or pledge securities that the department requires.

SECTION 1.10. Section 361.179(a), Transportation Code, as amended by House Bill Nos. 3184 and 3588, Acts of the 78th Legislature, Regular Session, 2003, is reenacted and amended to read as follows:

(a) The department may:

- (1) impose tolls for the use of each turnpike project and the different <u>segments or</u> parts [or sections] of each turnpike project; and
- (2) notwithstanding anything in Chapter 202 to the contrary, contract with a person for the use of part of a turnpike project or lease part of a turnpike project for a gas station, garage, store, hotel, restaurant, railroad tracks, utilities, and telecommunications facilities and equipment and set the terms for the use or lease.

SECTION 1.11. Section 361.185(a), Transportation Code, as amended by House Bill Nos. 3184 and 3588, Acts of the 78th Legislature, Regular Session, 2003, is reenacted to read as follows:

(a) All money received under this chapter, whether as proceeds from the sale of bonds or as revenue, is a trust fund to be held and applied as provided by this chapter. Notwithstanding any other law, including Section 9, Chapter 1123, Acts of the 75th Legislature, Regular Session, 1997, and without the prior approval of the comptroller, funds held under this chapter shall be held in trust by a banking institution chosen by the department or, at the discretion of the department, in trust in the state treasury outside the general revenue fund.

SECTION 1.12. Section 361.189, Transportation Code, as amended by House Bill Nos. 3184 and 3588, Acts of the 78th Legislature, Regular Session, 2003, is reenacted to read as follows:

Sec. 361.189. USE OF SURPLUS REVENUE. The commission by order may authorize the use of surplus revenue of a turnpike project to pay the costs of another turnpike project within the region. The commission may in the order prescribe terms for the use of the revenue, including the pledge of the revenue, but may not take an action under this section that violates, impairs, or is inconsistent with a bond order, trust agreement, or indenture governing the use of the surplus revenue.

SECTION 1.13. Section 361.302, Transportation Code, as amended by House Bill Nos. 3184 and 3588, Acts of the 78th

Legislature, Regular Session, 2003, is reenacted and amended to read as follows:

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- Sec. 361.302. COMPREHENSIVE DEVELOPMENT AGREEMENTS. Subject to Section 361.3021, the department may enter into a (a) comprehensive development agreement with a private entity to construct, maintain, repair, operate, extend, or expand a turnpike project.
- (b) this subchapter, "comprehensive development agreement" means an agreement [with a private entity] that, at a minimum, provides for the design and construction of a turnpike project and may also provide for the financing, acquisition, maintenance, or operation of a turnpike project.
- The department may negotiate provisions relating to (c) professional and consulting services provided in connection with a comprehensive development agreement.
- (d) Money disbursed by the department under a comprehensive development agreement is not included in the amount:
- (1) required to be spent in a <u>state fiscal</u> biennium for engineering and design contracts under Section 223.041; or
- (2) appropriated in Strategy A.1.1. Plan/Design/Manage of the General Appropriations Act for that biennium for the purpose of making the computation under Section 223.041.
- (e) The authority to enter into comprehensive development

agreements provided by this section expires on August 31, 2011.

SECTION 1.14. Section 361.3021, Transportation Code, as added by House Bill Nos. 3184 and 3588, Acts of the 78th Legislature, Regular Session, 2003, is reenacted to read as follows:

Sec. 361.3021. LIMITATION DEPARTMENT ONFINANCIAL PARTICIPATION. The amount of money disbursed by the department from the state highway fund and the Texas mobility fund during a federal fiscal year to pay the costs under comprehensive development agreements may not exceed 40 percent of the obligation authority under the federal-aid highway program that is distributed to this state for the fiscal year.

SECTION 1.15. Section 361.303(a), Transportation Code, as amended by House Bill Nos. 3184 and 3588, Acts of the 78th Legislature, Regular Session, 2003, is reenacted to read as follows:

(a) A turnpike project that is the subject of a comprehensive development agreement with a private entity, including the facilities acquired or constructed on the project, is public property and belongs to the department.

SECTION 1.16. Section 361.305, Transportation Code, as amended by House Bill Nos. 3184 and 3588, Acts of the 78th Legislature, Regular Session, 2003, is reenacted and amended to read as follows:

Sec. 361.305. TERMS OF PRIVATE PARTICIPATION. (a) The department shall negotiate the terms of private participation in a turnpike project, including:

- (1) methods to determine the applicable cost, profit, and project distribution between the private equity investors and the department;
- (2) reasonable methods to determine and classify toll rates;
- acceptable safety and policing standards; and (4) other applicable professional, consulting, construction, operation, and maintenance standards, expenses, and costs.
- A comprehensive development agreement entered into under Section 361.302 must include a provision authorizing the department to purchase, under terms and conditions agreed to by the parties, the interest of a private equity investor in a turnpike agreement.
- (c) The department may [only] enter into a comprehensive development agreement under Section 361.302 with a private equity investor <u>only</u> if the project is identified in the department's unified transportation program or is located on a transportation

corridor identified in the statewide transportation plan.

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SECTION 1.17. Section 361.306, Transportation Code, as amended by House Bill Nos. 3184 and 3588, Acts of the 78th Legislature, Regular Session, 2003, is reenacted to read as follows:

Sec. 361.306. RULES, PROCEDURES, AND GUIDELINES GOVERNING SELECTION AND NEGOTIATING PROCESS. (a) The commission shall adopt rules, procedures, and guidelines governing selection and negotiations to promote fairness, obtain private participants in turnpike projects, and promote confidence among those participants. The rules must contain criteria relating to the qualifications of the participants and the award of the contracts.

The department shall have up-to-date procedures for participation in negotiations on turnpike projects.

(c) The department has exclusive judgment to determine the terms of an agreement.

(d) The department shall include the attorney general or the attorney general's designated representative in a negotiation with a private participant.

SECTION 1.18. Section 361.307, Transportation Code, as amended by House Bill Nos. 3184 and 3588, Acts of the 78th Legislature, Regular Session, 2003, is reenacted to read as follows:

Sec. 361.307. AGREEMENTS WITH PRIVATE ENTITIES AND OTHER GOVERNMENTAL AGENCIES. (a) The department and a private entity jointly may enter into an agreement with another governmental agency or entity, including a federal agency, an agency of this or another state, including the United Mexican States or a state of the United Mexican States, or a political subdivision, to independently or jointly provide services, to study the feasibility of a turnpike project, or to finance, construct, operate, and maintain a turnpike project.

(b) The department may not enter into an agreement with the United Mexican States or a state of the United Mexican States without the approval of the governor.

SECTION 1.19. Section 361.281, Transportation Code, as amended by House Bill Nos. 3184 and 3588, Acts of the 78th Legislature, Regular Session, 2003, is amended to read as follows:

Sec. 361.281. APPLICABILITY OF SUBCHAPTER. This subchapter

applies only to: (1)

a county with a population of more than 1.5 million;

(2) a local government corporation serving a county

with a county with a population of more than 1.5 million;

(4) a municipality with a population of more than 170,000 that is adjacent to the United Mexican States;

(5) a regional tollway authority created under Chapter 366; or

a regional mobility authority organized [created] (6) under Chapter 370 or Section 361.003, as that section existed before June 22, 2003.

ARTICLE 2. STATE TRAFFIC FINE AND DRIVER RESPONSIBILITY PROGRAM SURCHARGES

The SECTION 2.01. heading to Section Transportation Code, as added by House Bill No. 3588, Acts of the 78th Legislature, Regular Session, 2003, is amended to read as follows:

STATE TRAFFIC FINE [ADDITIONAL COURT COST]. Sec. 542.4031. SECTION 2.02. Sections 542.4031(a)-(d) and (h), Transportation Code, as added by House Bill No. 3588, Acts of the 78th Legislature, Regular Session, 2003, are amended to read as follows:

(a) In addition to the fine prescribed by Section 542.401 or another section of this subtitle, as applicable [other costs, including a cost under Section 542.403], a person who enters a plea of guilty or nolo contendere to or is convicted of an offense under this subtitle shall pay \$30 as a state traffic fine [court cost].

The person shall pay the state traffic fine when the person enters the person's plea of guilty or nolo contendere, or on the date of conviction, whichever is earlier. The state traffic fine shall be paid regardless of whether:

(1) a sentence is imposed on the person;

(2) the court defers final disposition of the person's

case; or

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(3) the person is placed on community supervision, including deferred adjudication community supervision.

(b) An officer collecting a <u>state traffic fine</u> [cost due] under this section in a case in municipal court shall keep separate records of the money collected and shall deposit the money in the municipal treasury.

(c) An officer collecting a <u>state traffic fine</u> [cost due] under this section in a justice, county, or district court shall keep separate records of the money collected and shall deposit the

money in the county treasury.

- (d) Each calendar quarter, an officer collecting a state traffic fine [cost due] under this section shall submit a report to the comptroller. The report must comply with Articles 103.005(c) and (d), Code of Criminal Procedure. [If no money due as a cost under this section is collected in any quarter, the report required for that quarter shall be filed in the regular manner, and the report shall state that no money due under this section was collected.]
- (h) Notwithstanding Subsection (g) $\underline{(1)}$, in any state fiscal year the comptroller shall deposit $\underline{67}$ percent of the money [court costs] received under Subsection (e)(2) [that subsection] to the credit of the general revenue fund only until the total amount of the money [court costs] deposited to the credit of the general revenue fund under Subsection (g)(1) [that subsection] and [the surcharges deposited to the credit of that fund under] Section 780.002(b), Health and Safety Code, equals \$250 million for that year. If in any state fiscal year the amount received by the comptroller under those laws for deposit to the credit of the general revenue fund exceeds \$250 million, the comptroller shall deposit the additional amount [received under Subsection (g)] to the credit of the Texas mobility fund.

SECTION 2.03. (a) Sections 708.051 and 708.101, Transportation Code, as added by House Bill No. 3588, Acts of the 78th Legislature, Regular Session, 2003, are amended to read as

follows:

Sec. 708.051. NONAPPLICABILITY. This subchapter does not apply to:

(1) <u>an offense committed</u> [a conviction that became final] before September 1, 2003; or

(2) an offense covered by Subchapter C.

Sec. 708.101. NONAPPLICABILITY. This subchapter does not apply to an offense committed [a conviction that became final] before September 1, 2003.

- (b) In connection with a conviction for an offense committed before September 1, 2003, that became final on or after that date, the Department of Public Safety:
- (1) shall refund any surcharge collected under Chapter 708, Transportation Code, as added by H.B. No. 3588, Acts of the 78th Legislature, Regular Session, 2003; and
- (2) may not assign points to a person's driver's license under that chapter.

SECTION 2.04. Section 708.155, Transportation Code, as added by H.B. No. 3588, Acts of the 78th Legislature, Regular Session, 2003, is amended to read as follows:

Sec. 708.155. CONTRACTS FOR COLLECTION OF SURCHARGES. The department may enter into a contract with a private attorney or a public or private vendor for the provision of services for the collection of surcharges receivable and related costs under this chapter. The total amount of compensation may not exceed 30 percent of the amount of the surcharges and related costs collected [set in Article 103.0031, Code of Criminal Procedure].

SECTION 2.05. Section 780.002(c), Health and Safety Code,

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as added by House Bill No. 3588, Acts of the 78th Legislature, Regular Session, 2003, is amended to read as follows:

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(c) Notwithstanding Subsection (b), in any state fiscal year the comptroller shall deposit 49.5 percent of the surcharges collected under Chapter 708, Transportation Code, to the credit of the general revenue fund only until the total amount of the surcharges deposited to the credit of the general revenue fund under Subsection (b), and the <u>state traffic fines</u> [court costs] deposited to the credit of that fund under Section 542.4031(g)(1), Transportation Code, equals \$250 million for that year. If in any state fiscal year the amount received by the comptroller under those laws for deposit to the credit of the general revenue fund exceeds \$250 million, the comptroller shall deposit [49.5 percent of the additional amount [received under Subsection (a) to the account established under this chapter and 49.5 percent of the additional amount] to the credit of the Texas mobility fund.

ARTICLE 3. FINANCIAL PROVISIONS

SECTION 3.01. Section 20.02, House Bill No. 3588, Acts of the 78th Legislature, Regular Session, 2003, is amended to read as follows:

Sec. 20.02. (a) [The comptroller shall establish the Texas mobility fund debt service account as a dedicated account within the general revenue fund.

[(b)] Notwithstanding Sections 780.002(b) and (c) [780.002(a) and (b)], Health and Safety Code, as added by this Act, of the money allocated to the undedicated portion of the general revenue fund by Section $\frac{780.002(a)}{780.002(a)}$, Health and Safety Code, as added by this Act, other than money that may only be appropriated to the Department of Public Safety, in state fiscal <u>years</u> [<u>year</u>] 2004 <u>and 2005</u> the comptroller shall deposit that money to the credit of the Texas mobility fund <u>instead of to the credit of</u> the general revenue fund [debt service account, which is subject to the provisions of Subsection (d)].
(b) [(c)] Notwithstanding

542.4031(g)(1), Section Transportation Code, as added by this Act, of the money allocated to the undedicated portion of the general revenue fund in Section 542.4031(g)(1), Transportation Code, in <u>state</u> fiscal <u>years</u> [<u>year</u>] 2004 and 2005 the comptroller shall deposit that money to the credit of the Texas mobility fund instead of to the credit of the general revenue fund [debt service account, provisions of Subsection (d)]. which is subject to

(c) [(d) Funds deposited to the Texas mobility fund debt service account pursuant to Subsections (b) and (c) may be transferred to the Texas mobility fund upon certification by the Texas Transportation Commission to the comptroller that a payment is due under an obligation pursuant to Section 49-k, Article 3, Texas Constitution. Funds in the Texas mobility fund debt service account are not appropriated in the state fiscal year ending August 31, 2004.

521.313(c), and 724.046(c), Transportation Code, as added by this Act, to the extent that those sections allocate funds to the Texas mobility fund, in <u>state</u> fiscal <u>years</u> [year] 2004 <u>and 2005</u> the comptroller shall deposit those funds to the credit of the general revenue fund instead of to the credit of the Texas mobility fund.

SECTION 3.02. An amount of funds estimated \$231,700,000 deposited to the credit of the general revenue fund in state fiscal year 2005 under Section 20.02(c), House Bill No. 3588, Acts of the 78th Legislature, Regular Session, 2003, as amended by this Act, is appropriated out of the general revenue fund for the state fiscal biennium beginning September 1, 2003, to replace an equal amount of federal fiscal relief funds utilized to certify general revenue appropriations made by House Bill No. 1, Acts of the 78th Legislature, Regular Session, 2003 (the General Appropriations Act). The federal fiscal relief funds so replaced are appropriated to the comptroller of public accounts for the state fiscal biennium beginning September 1, 2003, for the purposes described by Section 11.28, Article IX, House Bill No. 1, Acts of

the 78th Legislature, Regular Session, 2003 (the General Appropriations Act).

SECTION 3.03. Section 11.28, Article IX, House Bill No. 1,

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SECTION 3.03. Section 11.28, Article IX, House Bill No. 1, Acts of the 78th Legislature, Regular Session, 2003 (the General Appropriations Act), is amended by amending Subsection (a) and adding Subsections (c) and (d) to read as follows:

- (a) Notwithstanding other provisions of this Act, based upon the passage of federal legislation that provides federal funds for the purpose of state fiscal relief, such funds are appropriated[, after the implementation of Section 11.15, Contingency Appropriation Reduction and Contingency Appropriation,] to the Comptroller of Public Accounts in the fiscal year in which the funds are received for the purpose of transferring funds to state agencies for state fiscal relief, as directed by the Governor and Legislative Budget Board acting under Chapter 317, Government Code, and in accordance with [provided by subsection (b) of this section.
- (c) In addition to the priorities established by Subsection (b) of this section, such funds shall also be used for the state child health plan, Goal C of the appropriations to the Health and Human Services Commission (insure children), to provide necessary and appropriate short-term evaluative or crisis intervention mental health services and services for the treatment of serious mental illness.
- (d) In addition to the priorities otherwise established by this section, it is also a priority of the Legislature that the plan provide funding to permit a Medicaid recipient, including an adult recipient, to select a licensed psychologist, a licensed marriage and family therapist, as defined by Section 502.002, Occupations Code, a licensed professional counselor, as defined by Section 503.002, Occupations Code, or a licensed master social worker, as defined by Section 505.002, Occupations Code, to perform professional counseling services or other health care services or procedures covered under the Medicaid program if the selected person is authorized by law to perform the counseling or other services or procedures.

ARTICLE 4. DEFERRED DISPOSITION OF TRAFFIC OFFENSES

SECTION 4.01. Article 45.051(c), Code of Criminal Procedure, as amended by Senate Bill Nos. 631 and 1904, Acts of the 78th Legislature, Regular Session, 2003, is reenacted to read as follows:

(c) On determining that the defendant has complied with the requirements imposed by the judge under this article, the judge shall dismiss the complaint, and it shall be clearly noted in the docket that the complaint is dismissed and that there is not a final conviction. If the complaint is dismissed, a special expense not to exceed the amount of the fine assessed may be imposed.

SECTION 4.02. Articles 45.0511(e) and (l)-(t), Code of Criminal Procedure, as amended by Senate Bill Nos. 631 and 1904, Acts of the 78th Legislature, Regular Session, 2003, are reenacted to read as follows:

- (e) A request to take a driving safety course or motorcycle operator training course made at or before the time and at the place at which a defendant is required to appear in court is an appearance in compliance with the defendant's promise to appear.
- (1) When a defendant complies with Subsection (c), the court shall:
 - remove the judgment and dismiss the charge;
- (2) report the fact that the defendant successfully completed a driving safety course or a motorcycle operator training course and the date of completion to the Texas Department of Public Safety for inclusion in the person's driving record; and
- (3) state in that report whether the course was taken under this article to provide information necessary to determine eligibility to take a subsequent course under Subsection (b).
- eligibility to take a subsequent course under Subsection (b).

 (m) The court may dismiss only one charge for each completion of a course.
- (n) A charge that is dismissed under this article may not be part of a person's driving record or used for any purpose.

H.B. No. 2

- (o) An insurer delivering or issuing for delivery a motor vehicle insurance policy in this state may not cancel or increase the premium charged an insured under the policy because the insured completed a driving safety course or a motorcycle operator training course, or had a charge dismissed under this article.
- (p) The court shall advise a defendant charged with a misdemeanor under Section 472.022, Transportation Code, Subtitle C, Title 7, Transportation Code, or Section 729.001(a)(3), Transportation Code, committed while operating a motor vehicle of the defendant's right under this article to successfully complete a driving safety course or, if the offense was committed while operating a motorcycle, a motorcycle operator training course. The right to complete a course does not apply to a defendant charged with:
- (1) a violation of Section 545.066, 550.022, or 550.023, Transportation Code;
 - (2) a serious traffic violation; or
- (3) an offense to which Section 542.404 or 729.004(b),
- Transportation Code, applies.

 (q) A notice to appear issued for an offense to which this article applies must inform a defendant charged with an offense under Section 472.022, Transportation Code, an offense under Subtitle C, Title 7, Transportation Code, or an offense under Section 729.001(a)(3), Transportation Code, committed while operating a motor vehicle of the defendant's right to complete a driving safety course or, if the offense was committed while operating a motorcycle, of the defendant's right to complete a motorcycle operator training course. The notice required by this subsection must read substantially as follows:

"You may be able to require that this charge be dismissed by successfully completing a driving safety course or a motorcycle operator training course. You will lose that right if, on or before your appearance date, you do not provide the court with notice of your request to take the course."

- (r) If the notice required by Subsection (q) is not provided to the defendant charged with the offense, the defendant may continue to exercise the defendant's right to take a driving safety course or a motorcycle operator training course until the notice required by Subsection (q) is provided to the defendant or there is a final disposition of the case.
- (s) This article does not apply to an offense committed by a person who holds a commercial driver's license.
- (t) An order of deferral under Subsection (c) terminates any liability under a bail bond or appearance bond given for the charge.

SECTION 4.03. Article 45.051(c-1), Code of Criminal Procedure, as added by S.B. No. 1904, Acts of the 78th Legislature, Code of Criminal Regular Session, 2003, is repealed.

ARTICLE 5. MISCELLANEOUS PROVISIONS
SECTION 5.01. (a) Section 91.071, Transportation Code, as added by House Bill No. 3588, Acts of the 78th Legislature, Regular Session, 2003, is amended to read as follows:

Sec. 91.071. [PERMISSIBLE SOURCES OF] FUNDING. (a) Except as provided in Subsection (b), the [The] department may use any available funds to implement this chapter [legally permissible source of funding in acquiring, constructing, maintaining, and

operating a rail facility or system], including funds[:

[(1) appropriations from the state highway fund that
are not dedicated for another purpose by Section 7-a or 7-b, Article VIII, Texas Constitution;

[(2) proceeds from bonds secured by the Texas Mobility

Fund;

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- [(3) donations, whether in kind or in cash; and $[\frac{(4)}{\text{loans}}]$ from the state infrastructure bank.
- (b) Each fiscal year, the total amount disbursed by the department from the state highway fund to implement this chapter may [out of federal and state funds shall] not exceed \$12.5 million. This subsection does not apply to:
- (1) [disbursements acquisition rail lines on the Trans-Texas Corridor;

- $[\frac{(2)}{2}]$ the acquisition of abandoned rail facilities 11 - 111-2 described in Section 91.007;
 - (2) [$\frac{(3)}{(3)}$] funding derived from the issuance of bonds, private investment, and donations;
 - (3) federal funds [, and grants or loans] from the Federal Railroad Administration, from the [or] Federal Transit Administration, or authorized and appropriated by the United States
 - Congress for a specific project; [and]

 (4) grants awarded by the governor from the Texas

 Enterprise Fund; and

(5) grading and bed preparation.

- The Texas Transportation Commission shall propose rules the disbursement of funds for the acquisition of governing rail facilities described in Section 91.007, abandoned Transportation Code. The rules shall prescribe criteria for the Texas Department of Transportation's acquisition of abandoned rail facilities. In establishing criteria, the Texas Transportation Commission shall consider the local and regional economic benefit realized from the disbursement of funds in comparison to the amount of the disbursement.
- (c) If this Act receives the vote necessary for immediate effect, the Texas Transportation Commission shall propose the rules required by Subsection (b) of this section not later than November 30, 2003. If this Act does not receive the vote necessary for immediate effect, the Texas Transportation Commission shall propose the rules required by Subsection (b) of this section not later than February 1, 2004.

SECTION 5.02. Subchapter H, Chapter 201, Transportation Code, is amended by adding Section 201.616 to read as follows:

- Sec. 201.616. ANNUAL REPORT TO LEGISLATURE ON CERTAIN S. (a) Not later than December 1 of each year, the department shall submit a report to the legislature that details:
- $(\overline{1})$ the expenditures made by the department preceding state fiscal year in connection with:
- (A) the unified transportation program of the

<u>department;</u>

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(B) turnpike projects and toll roads of

department;

- (C)
- the Trans-Texas Corridor; rail facilities described in Chapter 91; and (D) (E) non-highway facilities on the Trans-Texas

Corridor if those expenditures are subject to Section 227.062(c); (2) the amount of bonds or other public securities

issued for transportation projects; and

- (3) the direction of money by the department to a regional mobility authority in this state.
- The report must break down information under Subsection (a)(1)(A) by program category and department district. The report must break down information under Subsections (a)(1)(B), (C), (D), and (E) and Subsection (a)(3) by department district. The report must break down information under Subsection (a)(2) by department district and type of project.
- (c) The report may be submitted in an electronic format. SECTION 5.03. Section 227.014(a), Transportation Code, as added by House Bill No. 3588, Acts of the 78th Legislature, Regular Session, 2003, is amended to read as follows:
- (a) If the commission determines that the mobility needs of this state would be most efficiently and economically met by jointly operating two or more facilities as one operational and financial enterprise, it may create a system composed of those facilities. The commission may create more than one system and may combine two or more systems into one system. The commission may finance, construct, and operate [an] additional facilities [facility] as an expansion of a system if the commission determines that the facilities [facility] would most efficiently and economically be constructed and operated if [it were a] part of the system and that the addition will benefit the system. A system may only include facilities included in a comprehensive transportation corridor developed under a comprehensive development agreement, or

facilities located wholly or partly within the territory of [+

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 $\left[\frac{(2)}{1}\right]$ two adjacent department districts. This section does not prohibit the department from creating a system that includes a facility that will extend continuously through the territory of two or more metropolitan planning organizations or more than two adjacent department districts.

SECTION 5.04. Section 227.023(c), Transportation Code, as added by House Bill No. 3588, Acts of the 78th Legislature, Regular

Session, 2003, is amended to read as follows:

(c) To the extent and in the manner that the department may enter into comprehensive development agreements under Chapter 361 with regard to turnpikes, the department may enter into <u>a</u> comprehensive development <u>agreement</u> [<u>agreements</u>] under this chapter that provides for the financing, development, design, construction, or operation of a facility or a combination of [with regard to] facilities on the Trans-Texas Corridor. All provisions of Chapter 361 relating to comprehensive development agreements for turnpikes apply to comprehensive development agreements for facilities under this chapter, including provisions relating to the confidentiality of information. Claim comprehensive development agreement are Claims arising under subject to Section 201.112.

SECTION 5.05. Section 284.061(c), Transportation Code, is amended to read as follows:

- (c) Except as provided by Section 361.1375, if applicable, the [The] county is entitled to immediate possession of property subject to a condemnation proceeding brought by the county after:
- (1) a tender of a bond or other security in an amount sufficient to secure the owner for damages; and
- (2) the approval of the bond or security by the court. SECTION 5.06. Subchapter D, Chapter 361, Transportation Code, is amended by adding Section 361.1375 to read as follows:
- Sec. 361.1375. DECLARATION OF TAKING BY CERTAIN COUNTIES. (a) This section applies only to a county with a population of million or more that operates under Chapter 284.
 (b) If, in connection with projects under Chapter 284,
- director authorizes the county to proceed in the manner provided by Section 361.137:
- (1) the county may file a declaration of taking and proceed in the manner provided by Section 361.137 on any project of the county under Chapter 284; and
- (2) a reference to the department in Section 361.137
- means the county.

 SECTION 5.07. Section 370.003(1), Transportation Code, as added by House Bill No. 3588, Acts of the 78th Legislature, Regular Session, 2003, is amended to read as follows:
- (1) "Authority" means a regional mobility authority organized under this chapter or under Section 361.003, as that section existed before <u>June 22</u> [September 1], 2003.

 SECTION 5.08. Sections 502.1715(a) and (b), Transportation

Code, as added by House Bill No. 3588, Acts of the 78th Legislature, Regular Session, 2003, are amended to read as follows:

- (a) In addition to other fees imposed for registration of a motor vehicle, at the time of application for registration or renewal of registration of a motor vehicle for which the owner is required to submit evidence of financial responsibility under Section 502.153, the applicant shall pay a fee of \$1. In addition to other fees imposed for registration of a motor vehicle, at the time of application for registration of a motor vehicle that is subject to Section 501.0234, the applicant shall pay a fee of \$1.

 (b) Before [Prior to] August 31, 2005, fees collected under
- this <u>section</u> [<u>subchapter</u>] shall be deposited to the credit of the state highway fund. The [Subject to appropriation, the] money
- shall be used by the Department of Public Safety to:

 (1) support the Department of Public Safety's reengineering of the driver's license system to provide for the issuance by the Department of Public Safety of a driver's license or personal identification certificate, not to include use of

biometric information; [and]

(2) establish and maintain a system to support the driver responsibility program under Chapter 708;

(3) conduct the feasibility <u>stu</u>dy authorized by

Section 601.450; and

(4) make lease payments to the master lease purchase program for the financing of:

the driver's license reengineering project;

and

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(B) the liability insurance feasibility study.
SECTION 5.09. Section 504.202(f), Transportation Code, as added by House Bill No. 2971, Acts of the 78th Legislature, Regular Session, 2003, is amended to read as follows:

(f) The fee for the first set of license plates is \$3. There is no [The] fee for each additional set of license plates [is \$15]. If a license plate is lost, stolen, or mutilated, on payment of a \$1 fee the department shall issue a set of replacement plates.

SECTION 5.10. (a) The one percent of surcharges collected during the state fiscal biennium beginning September 1, 2003, by the Department of Public Safety of the State of Texas under Chapter 708, Transportation Code, as added by House Bill No. 3588, Acts of the 78th Legislature, Regular Session, 2003, that is deposited to the general revenue fund and dedicated to the administration of the driver responsibility program by Section 780.002(b), Health and Safety Code, as added by that bill, is appropriated to the Department of Public Safety for the state fiscal biennium beginning September 1, 2003, for the purposes of administering the driver responsibility program operated by the department under Chapter 708, Transportation Code, as added by that bill. The number of full-time equivalent positions (FTE) indicated in the Department of Public Safety's bill pattern is increased by 11 during the biennium.

(b) All fees collected during the state fiscal biennium beginning September 1, 2003, by the Texas Department of Transportation under Section 502.1715, Transportation Code, as added by House Bill No. 3588, Acts of the 78th Legislature, Regular Session, 2003, are appropriated to the Department of Public Safety of the State of Texas for the state fiscal biennium beginning September 1, 2003, for the purposes described by that section. The number of full-time equivalent positions (FTE) indicated in the Department of Public Safety's bill pattern is increased by 28 during the biennium.

ARTICLE 6. REPEALER; EFFECTIVE DATE; TRANSITION

SECTION 6.01. Sections 361.181, 361.182, and 361.184, Transportation Code, and Section 361.3025, Transportation Code, as added by Section 61, House Bill No. 3184, Acts of the 78th Legislature, Regular Session, 2003, are repealed.

SECTION 6.02. The following laws are repealed:

(1) Section 521.427(c), Transportation Code, as added by Section 11.04, House Bill No. 3588, Acts of the 78th Legislature, Regular Session, 2003; and

(2) Section 542.4031(j), Transportation Code, added by Section 12.01, House Bill No. 3588, Acts of the 78th Legislature, Regular Session, 2003.

SECTION 6.03. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect on the 91st day after the last day of the legislative session.

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