

Amend CSHB 3588, in ARTICLE 12 of the bill, by adding the following appropriately numbered SECTION and renumbering subsequent SECTIONS accordingly:

SECTION __. (a) Section 456.022, Transportation Code, is amended to read as follows:

Sec. 456.022. FORMULA ALLOCATION [BY CATEGORIES]. The commission shall adopt rules establishing a formula to allocate funds to eligible public transportation providers. The formula may take into account:

(1) the provider's performance;
(2) the number of passengers served by the provider;
(3) the need for public transportation by residents of the provider's service area;

(4) the population, population density, and land area of the provider's service area; and

(5) other factors established by the commission [~~Under the formula program the commission shall allocate:~~

~~[(1) 50 percent of the money to municipalities that are:
[(A) designated recipients in urbanized areas or transit providers eligible under Section 456.003 and not served by a transit authority; and~~

~~[(B) designated recipients that are not included in a transit authority but are located in urbanized areas that include one or more transit authorities and received state transit funding during the biennium that ended August 31, 1997; and~~

~~[(2) 50 percent of the money to designated recipients in nonurbanized areas].~~

(b) Section 456.024, Transportation Code, is repealed.

(c) This section takes effect September 1, 2004.