

## **BILL ANALYSIS**

Senate Research Center

H.B. 3017  
By: Solomons (Harris)  
Infrastructure Development and Security  
5/16/2003  
Engrossed

### **DIGEST AND PURPOSE**

The 77th Texas Legislature passed H.B. 3343, creating a mechanism for suburban counties to create a transportation authority to prepare for urban sprawl. Under that bill, Denton County created the Denton County Transportation Authority. H.B. 3017 relates to the organization, administration, and validation of the creation and certain action of a coordinated county transportation authority.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 460.001(3), Transportation Code, to replace “executive committee” with “board of directors” in relation to the governing body of the authority.

SECTION 2. Amends Subchapter A, Chapter 460, Transportation Code, by adding Section 460.004, as follows:

Sec. 460.004. REFERENCE. Provides that a reference in this chapter to the executive committee means the board of directors.

SECTION 3. Amends Section 460.551(a), Transportation Code, to authorize the executive committee to impose for an authority a sales and use tax at a certain rate.

SECTION 4. Amends Section 460.056, Transportation Code, by adding Subsection (f) to authorize the board of directors of a confirmed authority by rule to create a procedure by which a municipality described by Subsection (d) may become a participating member of an authority.

SECTION 5. Amends Section 460.201(b), Transportation Code, prohibit a member of the board of directors from serving more than three consecutive terms, rather than three terms.

SECTION 6. Amends Subchapter D, Chapter 460, Transportation Code, by adding Section 460.206, as follows:

Sec. 460.206. RULES. Authorizes the board of directors to adopt rules relating to the creation of a vacancy on the board by the absence of a board member at the board meetings, staggering the terms of up to one-half of the board of directors, and providing for alternatives.

SECTION 7. Amends Section 460.404, Transportation Code, by adding Subsection (d) to authorize an authority to accept gifts, grants, donations, receipts, or funds from any source to carry out its powers and duties under this chapter.

SECTION 8. Amends Section 460.502(c), Transportation Code, to authorize a bond issued by the authority to have a maturity of up to 30 years from the date of issuance, rather than requiring a 20-year even principal and interest payback.

SECTION 9. Amends Section 460.503, Transportation Code, as follows:

Sec. 460.503. BOND TERMS. Provides that the terms and conditions of authority bonds are subject to rules adopted by the board of directors.

SECTION 10. Amends Section 460.506, Transportation Code, to include as a method of securing an authority's bond, the authority to pledge government grants, contractual revenue, or lease revenue.

SECTION 11. Amends Section 460.508(d), Transportation Code, to prohibit an authority from having outstanding notes in excess of \$10 million, rather than \$1 million, at any one time.

SECTION 12. (a) Provides that the creation of the Denton County Transportation Authority under Chapter 1186, Acts of the 77th Legislature, Regular Session, 2001, composed of the territory in Denton County is validated as of the date of the election held on November 5, 2001, at which the voters of Denton County approved the confirmation of the district. Provides that any acts and proceedings of the district in Denton County are validated as of the dates they occurred.

(b) Provides that this Act does not validate any government act or proceeding that, under the law of this state at the time the act or proceeding occurred, was a misdemeanor or a felony.

SECTION 13. Provides that this Act takes effect September 1, 2003, except Section 3 of this Act takes effect only if House Bill 164, 78th Legislature, Regular Session, 2003, is passed by the house and senate and approved by the governor.