

## **BILL ANALYSIS**

Senate Research Center

C.S.H.B. 3184  
By: Hill (Barrientos)  
Infrastructure Development and Security  
5/16/2003  
Committee Report (Substituted)

### **DIGEST AND PURPOSE**

Senate Bill 342, 77th Texas Legislature, added Section 361.005 to the Transportation Code, to transfer the powers and duties of the former board of directors of the Texas Department of Transportation's (TxDOT) Texas Turnpike Authority Division to the Texas Transportation Commission (TTC), but not all necessary reference changes were made in existing law. Additionally, TxDOT's legal authority, with regard to turnpike projects, needs some clarification. Chapter 361 (Texas Turnpike Authority) contains obsolete references and provisions that duplicate other statutes applicable to TxDOT, which complicates the development of turnpike projects. C.S.H.B. 3184 clarifies TTC's power regarding financing, construction, improvement, maintenance, and operation of turnpike projects, and provides additional powers, including increased authority for TTC and TxDOT to enter into exclusive development agreements for the construction, improvement, maintenance, and operation of turnpike projects.

### **RULEMAKING AUTHORITY**

Rulemaking authority is transferred from the Texas Turnpike Authority to the Texas Transportation Commission in SECTION 42 (Section 361.234, Transportation Code) and SECTION 62 (Section 361.306, Transportation Code) of this bill.

Rulemaking authority is expressly granted to the Texas Department of Transportation in SECTION 58 (Section 361.3022 and Section 361.3024, Transportation Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 201.112(a), Transportation Code, to make a conforming change by including Chapter 361 (State Highway Turnpike Projects). Makes nonsubstantive changes.

SECTION 2. Amends the heading to Chapter 361, Transportation Code, to read as follows:

#### Chapter 361. STATE HIGHWAY TURNPIKE PROJECTS

SECTION 3. Amends Sections 361.001(2), (3), (4), and (5), Transportation Code, to delete the definition of "board," redefine "turnpike project," and redesignate Subdivisions (3)-(5) as Subdivisions (2)-(4).

SECTION 4. Amends the heading to Subchapter B, Chapter 361, Transportation Code, to read as follows:

#### SUBCHAPTER B. ADMINISTRATIVE PROVISIONS

SECTION 5. Amends and reenacts Section 361.031, Transportation Code, as follows:

Sec. 361.031. TEXAS TURNPIKE AUTHORITY. (a) Provides that the Texas Turnpike Authority (authority) is responsible for promoting and coordinating the development of turnpike projects under this chapter. Requires the Texas Transportation Commission (TTC) and the executive director of the Texas Department of Transportation (director) to assign duties to the authority and other offices of the Texas Department of Transportation (TxDOT) as appropriate for the proper administration of this chapter and other law. Deletes text referring to powers under this chapter and Chapter 362 to study, design, construct, operate, expand, enlarge, or extend a turnpike project.

(b) Replaces the “authority” with “TxDOT” as the entity exercising powers conferred by this chapter in the construction, operation, and maintenance of a turnpike project.

SECTION 6. Redesignates Section 361.042, Transportation Code, as Section 361.032, Transportation Code, and amends the section, as follows:

Sec. 361.032. GENERAL PROVISIONS AND DUTIES. (a) Requires TTC, rather than the board of the directors of the authority, to adopt rules for the implementation and administration of this chapter, rather than the regulation of its affairs and the conduct of its business and to undertake other duties delegated by TTC. Deletes text referring to considering, studying, planning, and developing turnpike projects. Makes nonsubstantive changes.

(b) Deletes text referring to employing attorneys, adopting and enforcing rules, and forming, developing, or utilizing a corporation. Redesignates Subdivisions (7), (9), and (11) as Subdivisions (6), (7), and (8). Makes conforming changes.

SECTION 7. Redesignates Section 361.054, Transportation Code, as Section 361.033, Transportation Code, and amends the section, as follows:

Sec. 361.033. AUDIT. Requires an audit of TxDOT’s, rather than the authority’s, books and accounts for activities under this chapter, at least annually. Requires the audit to be conducted in accordance with the requirements of any trust agreement securing bonds issued under this chapter that is in effect at the time of the audit. Makes conforming changes.

SECTION 8. Amends the heading to Subchapter C, Chapter 361, Transportation Code, to read as follows:

#### SUBCHAPTER C. DEVELOPMENT OF TURNPIKE PROJECTS

SECTION 9. Amends Section 361.101, Transportation Code, to require TTC to approve, by order, final designation, rather than the location of the project before final designation, and to make a conforming change.

SECTION 10. Amends Section 361.103, Transportation Code, as follows:

Sec. 361.103. New heading: APPLICATION OF OTHER LAW. Requires all other law applicable to TxDOT, TTC, or the state highway system to apply to the development, construction, maintenance, and operation of a turnpike project under this chapter, unless in conflict with a provision of this chapter. Deletes text referring to the provision of an environmental review.

SECTION 11. Amends Subchapter C, Chapter 361, Transportation Code, by adding Section 361.104, as follows:

Sec. 361.104. ENTRANCES AND EXITS OF TURNPIKE PROJECT. Requires TxDOT to designate the location of and establish, limit, and control the entrances and exits of a turnpike project, as considered necessary or desirable, to ensure the proper operation and maintenance of the project, and to prohibit entrance to a project at any place not designated as an entrance.

SECTION 12. Amends Section 361.131, Transportation Code, as follows:

Sec. 361.131. New heading: POWERS AND PROCEDURES OF DEPARTMENT IN ACQUIRING PROPERTY. Provides that TxDOT has the same powers and is authorized to use the same procedures in acquiring property under this chapter as TTC or TxDOT in acquiring property under Subchapter D, Chapter 203 (Acquisition of Property) and in

disposing of surplus property acquired under this chapter as TTC or TxDOT under Subchapter B, Chapter 202 (Sale, Exchange, or Return of Highway Property).

SECTION 13. Amends Section 361.132, Transportation Code, as follows:

Sec. 361.132. ACQUISITION OF PROPERTY. (a) - (c) Make conforming changes.

(d) Provides that property necessary or convenient for the construction or operation of a turnpike project under Subsection (a) includes an interest in real property, a property right, or materials that TxDOT determines are necessary or convenient to provide a location for an ancillary facility that generated revenue for use in the construction, maintenance, or operation of a turnpike project, including a gas station, garage, store, hotel, or restaurant, or to construct or operate a warehouse, toll house, toll plaza, service station, or other facility used in connection with the construction, maintenance, or operation of a turnpike project, among other areas or activities. Redesignates Subdivisions (6)-(9) as Subdivisions (7)-(10).

(e) and (f) Make conforming changes.

SECTION 14. Amends Sections 361.133(b) and (c), Transportation Code, to make conforming changes.

SECTION 15. Amends Section 361.134, Transportation Code, to make conforming changes.

SECTION 16. Amends Section 361.135, Transportation Code, as follows:

Sec. 361.135. CONDEMNATION OF REAL PROPERTY. (a) Authorizes TTC to approve the acquisition of, rather than the board with TTC's concurrence, to acquire, public or private real property in the name of the state by the exercise of the power of condemnation under the laws applicable to the exercise of that power on property for public use under certain circumstances. Makes a conforming change.

(b) Authorizes TTC, to approve the condemnation of, rather than the board with TTC's concurrence to condemn, real property that TTC determines is necessary or convenient for the construction or operation of a turnpike project, rather than appropriate to construct or efficiently operate, as described by Section 361.132(d), in addition to other necessities. Makes a nonsubstantive change.

(c) Deletes existing Subsection (c) referring to authorizing the authority to construct a supplemental facility, and redesignates Subsection (d) as Subsection (c). Replaces a reference to the authority's board of directors' failure to accept and pay for the real property with TxDOT's failure to accept and pay for the real property. Makes a conforming change.

(d) Redesignates this subsection from Subsection (e). Provides that an undertaking under Subsection (c)(2), rather than (d)(2), or an act or obligation of TxDOT, rather than the authority, or TTC rather than the board of directors of the authority, does not impose any liability on the state, TxDOT or TTC, except liability that may be paid from the money authorized by this chapter. Makes conforming changes.

SECTION 17. Amends Section 361.136, Transportation Code, to make conforming changes.

SECTION 18. Amends Sections 361.137(a), (b), (c), and (d), Transportation Code, as follows:

(a) Makes a conforming change.

(b) Makes a conforming change.

(c) Prohibits TxDOT from filing a declaration of taking before the completion of certain activities.

(d) Redesignated from existing Subsection (c) to make a conforming change.

(e) Redesignated from existing Subsection (d) to make a conforming change.

SECTION 19. Amends Sections 361.138(a) and (b), Transportation Code, to make conforming changes.

SECTION 20. Amends Section 361.141(a), Transportation Code, to make conforming changes.

SECTION 21. Amends Section 361.142, Transportation Code, to make conforming changes.

SECTION 22. Amends Sections 361.171, Transportation Code, as follows:

(a) Authorizes TTC, rather than the authority, to authorize, rather than provide for, the issuance of turnpike revenue bonds, by order, rather than resolution, to pay all or part of the cost of a turnpike project.

(b) Requires the bonds of each issue, as determined in the order authorizing the issuance, to meet certain requirements.

(c)-(d) Make conforming changes.

(e) Authorizes additional bonds to be issued in the same manner to pay the costs of a turnpike project, rather than provide the amount of the deficit, if the proceeds of a bond issue are less than the turnpike project cost. Authorizes TTC to 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) Requires the surplus to be segregated from the other money of TTC and used only for the purposes specified in the order authorizing the issuance, rather than deposited to the credit of the sinking fund for the bonds, if the proceeds of a bond issue exceed the cost of the turnpike project for which the bonds were issued.

(g) No changes.

(h) Provides that bonds issued and delivered under this chapter and interest coupons on the bonds are a security under Chapter 8, Business & Commerce Code.

(i) Provides that 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 23. Amends Section 361.172, Transportation Code, as follows:

Sec. 361.172. New Heading: APPLICABILITY OF OTHER LAW; CONFLICTS. (a) Provides that all laws affecting the issuance of bonds by governmental entities, including certain chapters of the Government Code, apply to bonds issued under this chapter. Provides that to the extent of a conflict between those laws and this chapter, the provisions of this chapter prevail. Deletes text relating to turnpike bonds.

SECTION 24. Amends Section 361.173, Transportation Code, as follows:

Sec. 361.173. PAYMENT OF BONDS; CREDIT OF STATE NOT PLEDGED. (a) Deletes “the money authorized for their payment under this chapter or other law” as a source of certain payments on bonds and adds “ amounts received under a credit agreement relating to the turnpike project for which the bonds are issued.” Makes a

conforming change.

(b) Provides that TTC and TxDOT, rather than the authority, are not obligated to pay the bond or the interest on the bond from a source other than the amount pledged to pay the bond and the interest on the bond.

(c) Makes a conforming change.

SECTION 25. Amends Section 361.174, Transportation Code, to delete a reference to money other than that derived from a different turnpike project, and to make conforming changes.

SECTION 26. Amends Section 361.175, Transportation Code, to make conforming changes.

SECTION 27. Amends Subchapter E, Chapter 361, Transportation Code, by adding Sections 361.1751-361.1753, as follows:

Sec. 361.1751. INTERIM BONDS. (a) Authorizes TTC, before issuing definitive bonds, to issue interim bonds, with or without coupons, exchangeable for definitive bonds.

(b) Authorizes an order authorizing interim bonds to provide that the interim bonds recite that the bonds are issued under this chapter. Provides that the recital is conclusive evidence of the validity and regularity of the bonds' issuance.

Sec. 361.1752. EFFECT OF LIEN. (a) Provides that a lien on or a pledge of revenue from a turnpike project or on a reserve, replacement, or other fund established in connection with a bond issued under this chapter meets certain conditions.

(b) Provides that an order authorizing the issuance of bonds is not recorded except in the regular records of TxDOT.

Sec. 361.1753. APPROVAL OF BONDS BY ATTORNEY GENERAL. (a) Requires TTC to submit to the attorney general for examination the record of proceedings relating to bonds authorized under this chapter. Requires the record to include the bond proceedings and any contract securing or providing revenue for the payment of the bonds.

(b) Provides that if the attorney general determines that the bonds, the bond proceedings, and any supporting contract are authorized by law, the attorney general is required to approve the bonds and deliver to the comptroller certain documents.

(c) Requires the comptroller to register the record of proceedings on receipt of the legal opinion of the attorney general and the record of proceedings relating to the authorization of the bonds.

(d) Provides that after approval by the attorney general, the bonds, the bond proceedings, and any supporting contract are valid, enforceable, and incontestable in any court or other forum for any reason and are binding obligations according to their terms for all purposes.

SECTION 28. Amends Sections 361.176(a) and (e), Transportation Code, to make conforming changes.

SECTION 29. Amends Section 361.177, Transportation Code, to authorize a trust agreement or order providing for the issuance of bonds to contain certain provisions to protect and enforce the rights and remedies of the bondholders. Removes the term "reasonable" in relation to provisions and makes conforming changes.

SECTION 30. Amends Section 361.178, Transportation Code, as follows:

Sec. 361.178. FURNISHING OF INDEMNIFYING BONDS OR PLEDGE OF SECURITIES. Authorizes a bank or trust company incorporated under the laws of, rather than that has its main office or a branch office in, this state and that acts as depository of the proceeds of bonds or of revenue to furnish indemnifying bonds or pledge securities that TxDOT, rather than the authority, requires.

SECTION 31. Amends Sections 361.179(a), (b), (d), (e), and (g), Transportation Code, as follows:

- (a) Authorizes TxDOT to perform certain actions.
- (b) Includes contributions with other revenue used to pay certain costs.
- (d)-(e) and (g) Make conforming changes.

SECTION 32. Amends Section 361.183(b), Transportation Code, to make a conforming change.

SECTION 33. Amends Section 361.185, Transportation Code, to include “without the prior approval of the comptroller” in relation to funds held in trust. Makes conforming changes.

SECTION 34. Amends Section 361.186, Transportation Code, as follows:

Sec. 361.186. REMEDIES. Deletes text referring to a coupon incident to a bond and makes conforming changes.

SECTION 35. Amends Section 361.187(a), Transportation Code, to make conforming changes.

SECTION 36. Amends Section 361.188, Transportation Code, to make a conforming change.

SECTION 37. Amends Section 361.189, Transportation Code, to make conforming changes.

SECTION 38. Amends Section 361.191, Transportation Code, as follows:

Sec. 361.191. New heading: EXPENDITURE OF MONEY AUTHORIZED BY COMMISSION. (a) Authorizes TTC, rather than TxDOT, to provide for the expenditure of money for the cost of the acquisition, construction, maintenance, or operation of a turnpike project. Authorizes TTC, rather than TxDOT, to require the repayment of, rather than the authority to repay, money provided under this section from toll revenue or other sources on terms established by TTC.

- (b) Makes a conforming change.

SECTION 39. Amends Section 361.231(a), Transportation Code, to delete the specification to the extent applicable, in reference to awarding a TxDOT contract for the construction, improvement, repair, or maintenance of a turnpike. Includes a reference to Section 223.011 (Partial Payment Exception: Maintenance and Preconstruction Contracts). Makes conforming and nonsubstantive changes.

SECTION 40. Amends Sections 361.232(b), (c), and (d), Transportation Code, to make conforming and nonsubstantive changes.

SECTION 41. Amends Sections 361.233(a) and (c), Transportation Code, to make conforming changes.

SECTION 42. Amends Sections 361.234(a), (b), (d), (e), (f), and (g), Transportation Code, as follows:

- (a), (b), and (d) Make conforming changes.

(e) Deletes text referring to the authority's powers and duties. Makes conforming and nonsubstantive changes.

(f) and (g) Make conforming changes.

SECTION 43. Amends Section 361.235(a), Transportation Code, to make conforming changes.

SECTION 44. Amends Section 361.236, Transportation Code, to make a conforming change.

SECTION 45. Amends Sections 361.238 (b) and (c), Transportation Code, as follows:

(b) Authorizes TTC to continue to charge a toll to fund the construction, maintenance, and operation of other turnpike projects in the region in which the turnpike project is located, rather than sufficient to pay the costs of maintaining the facility, if the conditions of Subsections (a)(1) and (2) are met.

(c) Makes a conforming change.

SECTION 46. Amends Section 361.251, Transportation Code, as follows:

Sec. 361.251. New heading: TURNPIKE PROJECT A STATE HIGHWAY. Provides that a turnpike project is a state highway subject to all laws applicable to the regulation and control of traffic on a state highway, rather than a public highway.

SECTION 47. Amends Section 361.253, Transportation Code, by amending Subsections (b), (d), (e), and (g), and adding Subsection (i), as follows:

(b), (d), and (e) Make conforming changes.

(g) Requires the court in which a person is convicted of an offense under this section to collect the proper toll and administrative fee and forward them to TxDOT for deposit in the depository bank used for that purpose. Makes a conforming change.

(i) Authorizes TxDOT to contract, in accordance with Section 2107.003 (Collection by Attorney General or Outside Agent), Government Code, with a person to collect the unpaid toll and administrative fee before referring the matter to a court with jurisdiction over the offense.

SECTION 48. Amends Section 361.255(b), Transportation Code, to make conforming changes.

SECTION 49. Amends Sections 361.256 (a), (b), and (d), Transportation Code, to make conforming changes.

SECTION 50. Amends the heading to Subchapter H, Chapter 361, Transportation Code, to read as follows:

#### SUBCHAPTER H. TRANSFER OF TURNPIKE PROJECT

SECTION 51. Amends Section 361.281, Transportation Code, to include a regional mobility authority created under Section 361.003 (Regional Mobility Authority) in the list of entities to which this subchapter applies.

SECTION 52. Amends Section 361.282, Transportation Code, as follows:

Sec. 361.282. LEASE, SALE, OR CONVEYANCE OF TURNPIKE PROJECT. (a) Includes a regional mobility authority in the list of entities to which TxDOT is authorized to lease, sell, or convey in another manner a turnpike project.

(b) Makes conforming and nonsubstantive changes.

SECTION 53. Amends Section 361.283, Transportation Code, as follows:

Sec. 361.283. New heading: DISCHARGE OF OUTSTANDING BONDED INDEBTEDNESS. Makes a conforming change.

SECTION 54. Amends Subchapter H, Chapter 361, Transportation Code, by adding Section 361.284, as follows:

Sec. 361.284. REPAYMENT OF DEPARTMENT'S EXPENDITURES. (a) Requires an agreement to lease, sell, or convey a turnpike project under Section 361.282, to provide for the repayment of any expenditures of the department for the design, construction, operation, and maintenance of the project, that have not been reimbursed with the proceeds of bonds issued for the project, except as provided by Subsection (b).

(b) Authorizes TTC to waive repayment of all or a portion of the expenditures if it finds that the transfer will result in substantial net benefits to the state, TxDOT, and the public that equal or exceed the amount of repayment waived.

SECTION 55. Amends Section 361.285(a), Transportation Code, to make a conforming change.

SECTION 56. Amends Section 361.301, Transportation Code, as follows:

Sec. 361.301. AGREEMENTS WITH PUBLIC OR PRIVATE ENTITIES TO CONSTRUCT, MAINTAIN, REPAIR, AND OPERATE TURNPIKE PROJECTS. Provides that, notwithstanding Section 361.231, Transportation Code, and Subchapter A, Chapter 2254 (Professional Services), Government Code, TxDOT may enter into certain agreements. Makes a conforming change.

(b) Makes a conforming change.

SECTION 57. Amends Section 361.302, Transportation Code, as follows:

Sec. 361.302. New heading: COMPREHENSIVE DEVELOPMENT AGREEMENTS. Authorizes TxDOT to enter into a comprehensive, rather than use an exclusive, development agreement with a private entity to construct, maintain, repair, operate, extend, or expand a turnpike project.

(b) Defines "comprehensive development agreement."

(c) Provides certain powers of TxDOT.

(d) Provides that the authority to enter into comprehensive development agreements provided by this section expires on August 31, 2011.

SECTION 58. Amends Subchapter I, Chapter 361, Transportation Code, by adding Section 361.3021-361.3024, as follows:

Sec. 361.3021. LIMITATION ON DEPARTMENT FINANCIAL PARTICIPATION. Prohibits the amount of money disbursed by TxDOT from the state highway fund and the Texas mobility fund from exceeding a certain amount.

Sec. 361.3022. PROCESS FOR ENTERING INTO COMPREHENSIVE DEVELOPMENT AGREEMENTS. (a) Requires TxDOT to use a competitive procurement process, if TxDOT enters into a comprehensive development agreement. Authorizes TxDOT to accept unsolicited proposals for a proposed project or solicit proposals in accordance with this section.

(b) Requires TxDOT to establish rules and procedures for accepting unsolicited proposals that require the private entity to include certain items in the proposal.



- (c) Requires TxDOT to publish a request for competing proposals and qualifications in the Texas Register that includes the criteria used to evaluate the proposals, the relative weight given to the criteria, and a deadline by which proposals must be received.
- (d) Requires a proposal submitted in response to a request published under Subsection (c) to contain certain information.
- (e) Authorizes TxDOT to interview with a private entity submitting an unsolicited proposal or responding to a request under Subsection (c). Requires TxDOT to evaluate each proposal based on the criteria described in the notice. Requires TxDOT to qualify at least two private entities to submit detailed proposals for a project under Subsection (f) unless TxDOT does not receive more than one proposal or one response to a request.
- (f) Requires TxDOT to issue a request for detailed proposals from all qualified private entities if TxDOT proceeds with the further evaluation of a proposed project. Provides that a request may require certain additional information.
- (g) Authorizes TxDOT to solicit input from qualified entities or any other person in issuing a request for proposals. Authorizes TxDOT to solicit input regarding alternative technical concepts after issuing a request under Subsection (f).
- (h) Requires TxDOT to rank each proposal and select the private entity offering the best value.
- (i) Authorizes TxDOT to enter into discussions with the private entity and requires those discussions to be limited to certain topics.
- (j) Authorizes TxDOT to enter into discussions with the private entity with the next-highest ranking proposal under certain circumstances.
- (k) Authorizes TxDOT to withdraw a request for competing proposals and qualifications or a request for detailed proposals at any time. Authorizes TxDOT to publish a new request.
- (l) Authorizes TxDOT to require that an unsolicited proposal be accompanied by a nonrefundable fee to cover TxDOT's review costs.
- (m) Authorizes TxDOT to pay an unsuccessful private entity that submits a response to a request for detailed proposals a stipulated amount of the final contract price. Requires the amount to be stated in the request for proposals and prohibits exceeding the value of any work product contained in the proposal that can be used by TxDOT in the performance of its functions. Provides that the use by TxDOT of any design element contained in an unsuccessful proposal is at the sole risk of TxDOT and does not confer liability on the recipient of the stipulated amount. Provides that after payment of the stipulated amount the work product becomes the property of TxDOT.
- (n) Authorizes TxDOT to prescribe the general form of a comprehensive development agreement and include any matter TxDOT considers advantageous to TxDOT. Requires TxDOT and the private entity to finalize the specific terms of a comprehensive development agreement.
- (o) Provides that Subchapter A, Chapter 223, and Chapter 2254, Government Code, do not apply to a comprehensive development agreement entered into under Section 361.302.

Sec. 361.3023. CONFIDENTIALITY OF INFORMATION RELATING TO COMPREHENSIVE DEVELOPMENT AGREEMENTS. (a) Provides that certain information is confidential and not subject to disclosure.

(b) Provides that the final rankings of each proposal under each of the published criteria are not confidential.

Sec. 361.3024. PERFORMANCE AND PAYMENT SECURITY. (a) Requires TxDOT to require a private entity entering into a comprehensive development agreement to provide a performance and payment bond or an alternative form of security in a sufficient amount.

(b) Requires a performance and payment bond or alternative form of security to be in an amount equal to the cost of constructing or maintaining the project.

(c) Requires TxDOT to set the amount of the security if necessary.

(d) Provides that a form of security is not required for the portion of an agreement that includes only design or planning services, the performance of preliminary studies, or the acquisition of real property.

(e) Requires the amount of the payment security to not be less than the amount of the performance security.

(f) Authorizes TxDOT to require alternate forms of security.

(g) Requires TxDOT by rule to prescribe requirements for alternate forms of security provided under this section.

SECTION 59. Amends Section 361.303, Transportation Code, to make conforming changes.

SECTION 60. Amends Section 361.304, Transportation Code, to make conforming changes.

SECTION 61. Amends Section 361.305, Transportation Code, as follows:

Sec. 361.305. TERMS OF PRIVATE INVESTIGATION. (a) Makes conforming changes.

(b) Requires a comprehensive development program to include a provision authorizing TxDOT to purchase the interest of a private equity investor in a turnpike agreement.

(c) Authorizes TxDOT to only enter into a comprehensive development program with a private equity investor if the project is identified in TxDOT's unified transportation program or is located on a transportation corridor identified in the statewide transportation plan.

SECTION 62. Amends Section 361.306, Transportation Code, as follows:

Sec. 361.306. New heading: RULES, PROCEDURES, AND GUIDELINES GOVERNING SELECTION AND NEGOTIATING PROCESS. (a) Requires TTC to adopt rules, procedures, and guidelines, governing selection, in addition to negotiations. Deletes language relating to private involvement in a turnpike project. Makes conforming changes.

(b)-(d) Redesignated from Subsections (c)-(e). Makes conforming changes.

SECTION 63. Amends Section 361.307, Transportation Code, as follows:

(a) Makes conforming changes.

(b) Prohibits TxDOT from entering into an agreement with the United Mexican States or one of its states without the approval of the governor.

SECTION 64. Amends Section 361.331(a), Transportation Code, to delete text referring to TTC's approval and to make conforming changes.

SECTION 65. Amends Section 361.333, Transportation Code, to make conforming changes.

SECTION 66. Amends Sections 361.334(a) and (e), Transportation Code, to make conforming changes.

SECTION 67. Amends Section 361.335, Transportation Code, to make conforming changes.

SECTION 68. Amends Sections 362.003(b) and (c), Transportation Code, as follows:

(b) Provides that Chapters 1201 (Public Security Procedures Act) and 1371 (Obligations for Certain Public Improvements), Government Code, and Subchapters A (General Provisions), B (Advance Refunding Procedures), and C (Direct Deposit With Paying Agent), Chapter 1207 (Refunding Bonds), Government Code, apply to bonds issued by TTC under this chapter.

(c) Authorizes TxDOT to enter into all agreements necessary or convenient to effectuate the purposes of this chapter. Deletes text referring to the chapter being cumulative of laws affecting the authority and chapters referenced regarding applicability to bonds.

SECTION 69. Amends Sections 362.007(a) and (b), Transportation Code, to make conforming changes.

SECTION 70. Amends Section 362.008, Transportation Code, as follows:

Sec. 362.008. New heading: ADDITIONAL AGREEMENTS OF DEPARTMENT.  
Makes a conforming change.

SECTION 71. Amends the heading to Section 545.354, Transportation Code, to read as follows:

Sec. 545.354. AUTHORITY OF REGIONAL TOLLWAY AUTHORITIES TO ALTER SPEED LIMITS ON TURNPIKE PROJECTS.

SECTION 72. Amends Section 545.354(a)(1), Transportation Code, to redefine "authority."

SECTION 73. Amends Section 621.102(a), Transportation Code, to delete an exception provided by Subsection (h).

SECTION 74. Repealer: Sections 222.103(i) and (j) (Cost Participation), 361.005 (Transfer of Board's Powers and Duties), 361.043 (Entrances and Exits of Turnpike Project), 361.046 (Compensation of Employees), 361.0485 (Board Meeting by Telephone Conference Call), 361.049 (Consultants), 361.050 (Disadvantaged Business), 361.051 (Public Access), 361.052 (Public Complaints), 361.053 (Evidence of Action by Authority), 361.055 (Successor Agency to Authority), 361.102 (Public Hearings), 361.184(f) (Texas Turnpike Authority Revolving Fund), 361.231(b) (Awarding of Contracts), 361.237 (Operation of Turnpike Project), 361.308 (Participation on Certain Other Boards, Commissions, or Public Bodies), 362.001(1) (Definitions), 362.052 (Commission Review of Bonds), 362.053 (Contracts Between Commission and Texas Turnpike), and 621.102(h) (Commission's Authority to Set Maximum Weights).

SECTION 75. Effective date: upon passage or September 1, 2003.