

## **BILL ANALYSIS**

C.S.S.B. 963  
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Border and International Affairs  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Since the passage of the North American Free Trade Agreement and the subsequent increase in traffic along the Texas-Mexico border, the transportation infrastructure needs of the Texas-Mexico border region have increased greatly. Some argue that existing transportation infrastructure is not sufficient to handle the increasing volume of traffic resulting from NAFTA. 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. C.S.S.B. 963 would require the Department of Transportation to implement a Texas-Mexico border trade corridor plan. It would also 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**

It is the committee's opinion that this bill does expressly delegate any additional rulemaking authority to a state agency, department, institution or officer.

### **ANALYSIS**

SECTION 1. C.S.S.B. 963 amends the Transportation Code to require the Department of Transportation to coordinate an integrated trade transportation corridor plan for cross-border traffic. The bill provides that the plan must include strategies and projects to aid the exchange of international trade using the system of multiple transportation modes in this state, and assign priorities based on the amount of international trade, measured by weight and value, using the transportation systems of this state, including border ports of entry, commercial ports, inland ports, highways, pipelines, railroads, and deepwater gulf ports.

SECTION 2. C.S.S.B. 963 amends the Revised Statutes to authorize 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. C.S.S.B. 963 provides for the appointment, composition, and operation of a board of governors of the authority.

C.S.S.B. 963 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.

C.S.S.B. 963 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.

C.S.S.B. 963 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.

C.S.S.B. 963 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.

C.S.S.B. 963 authorizes and provides for the authority to issue revenue bonds and notes for the high-speed facilities.

C.S.S.B. 963 authorizes and provides for the use of competitive bidding for contracts for more than \$15,000.

C.S.S.B. 963 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.

SECTION 3. C.S.S.B. 963 requires the commission to create the border region high-speed rail authority no later than September 1, 2004.

SECTION 4. Effective date

**EFFECTIVE DATE**

September 1, 2003.

**COMPARISON TO ORIGINAL**

The substitute amends the original by requiring the Department of Transportation to coordinate, rather than implement, an integrated trade transportation corridor plan for cross-border traffic, rather than an integrated international trade corridor plan.

The substitute also adds the provisions relating to the border region high-speed rail authority.