

1-1 By: Solomons (Senate Sponsor - Nelson) H.B. No. 3017
1-2 (In the Senate - Received from the House May 12, 2003;
1-3 May 13, 2003, read first time and referred to Committee on
1-4 Infrastructure Development and Security; May 20, 2003, reported
1-5 adversely, with favorable Committee Substitute by the following
1-6 vote: Yeas 8, Nays 0; May 20, 2003, sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR H.B. No. 3017 By: Shapiro

1-8 A BILL TO BE ENTITLED
1-9 AN ACT

1-10 relating to the organization, administration, and validation of the
1-11 creation and certain action of a coordinated county transportation
1-12 authority.

1-13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-14 SECTION 1. Section 460.001(3), Transportation Code, is
1-15 amended to read as follows:

1-16 (3) "Board of directors [~~Executive committee~~]" means
1-17 the governing body of the authority.

1-18 SECTION 2. Subchapter A, Chapter 460, Transportation Code,
1-19 is amended by adding Section 460.004 to read as follows:

1-20 Sec. 460.004. REFERENCE. A reference in this chapter to the
1-21 executive committee means the board of directors.

1-22 SECTION 3. Section 460.551(a), Transportation Code, is
1-23 amended to read as follows:

1-24 (a) The executive committee may impose for an authority a
1-25 sales and use tax at the rate of:

1-26 (1) one-quarter of one percent;

1-27 (2) three-eighths of one percent;

1-28 (3) [~~(2)~~] one-half of one percent;

1-29 (4) five-eighths of one percent;

1-30 (5) [~~(3)~~] three-quarters of one percent; [ex]

1-31 (6) seven-eighths of one percent; or

1-32 (7) [~~(4)~~] one percent.

1-33 SECTION 4. Section 460.056, Transportation Code, is amended
1-34 by adding Subsection (f) to read as follows:

1-35 (f) The board of directors of a confirmed authority may by
1-36 rule create a procedure by which a municipality described by
1-37 Subsection (d) may become a participating member of an authority.

1-38 SECTION 5. Section 460.201(b), Transportation Code, is
1-39 amended to read as follows:

1-40 (b) A member of the board of directors [~~executive committee~~]
1-41 may not serve more than three consecutive terms.

1-42 SECTION 6. Subchapter D, Chapter 460, Transportation Code,
1-43 is amended by adding Section 460.206 to read as follows:

1-44 Sec. 460.206. RULES. The board of directors may adopt rules
1-45 relating to the creation of a vacancy on the board by the absence of
1-46 a board member at the board meetings, staggering the terms of up to
1-47 one-half of the board of directors, and providing for alternates.

1-48 SECTION 7. Section 460.404, Transportation Code, is amended
1-49 by adding Subsection (d) to read as follows:

1-50 (d) An authority may accept gifts, grants, donations,
1-51 receipts, or funds from any source to carry out its powers and
1-52 duties under this chapter.

1-53 SECTION 8. Section 460.502(c), Transportation Code, is
1-54 amended to read as follows:

1-55 (c) A bond issued by the authority may [~~must~~] have a
1-56 maturity of up to 30 years from the date of issuance [~~20-year even~~
1-57 ~~principal and interest payback~~].

1-58 SECTION 9. Section 460.503, Transportation Code, is amended
1-59 to read as follows:

1-60 Sec. 460.503. BOND TERMS. The bonds of an authority are
1-61 fully negotiable. An authority may make the bonds redeemable
1-62 before maturity. The terms and conditions of authority bonds are
1-63 subject to rules adopted by the board of directors.

2-1 SECTION 10. Section 460.506, Transportation Code, is
 2-2 amended to read as follows:
 2-3 Sec. 460.506. SECURITY PLEDGED. To secure the payment of an
 2-4 authority's bonds, the authority may:
 2-5 (1) pledge all or part of revenue realized from any tax
 2-6 that is approved and levied;
 2-7 (2) pledge any part of the revenue of the public
 2-8 transportation system; ~~or~~
 2-9 (3) mortgage any part of the public transportation
 2-10 system; or
 2-11 (4) pledge government grants, contractual revenue, or
 2-12 lease revenue.

2-13 SECTION 11. Section 460.507, Transportation Code, is
 2-14 amended to read as follows:

2-15 Sec. 460.507. REFUNDING BONDS. An authority may issue
 2-16 refunding bonds at any time ~~[if the repayment savings from the~~
 2-17 ~~refunding bonds exceeds the cost of issuance].~~

2-18 SECTION 12. Section 460.508(d), Transportation Code, is
 2-19 amended to read as follows:

2-20 (d) An authority may not have outstanding notes in excess of
 2-21 \$10 ~~[\$1]~~ million at any one time.

2-22 SECTION 13. (a) The creation of the Denton County
 2-23 Transportation Authority under Chapter 1186, Acts of the 77th
 2-24 Legislature, Regular Session, 2001, composed of the territory in
 2-25 Denton County is validated as of the date of the election held on
 2-26 November 5, 2002, at which the voters of Denton County approved the
 2-27 confirmation of the district. Any acts and proceedings of the
 2-28 district in Denton County are validated as of the dates they
 2-29 occurred.

2-30 (b) This Act does not validate any government act or
 2-31 proceeding that, under the law of this state at the time the act or
 2-32 proceeding occurred, was a misdemeanor or a felony.

2-33 SECTION 14. This Act takes effect September 1, 2003, except
 2-34 Section 3 of this Act takes effect only if House Bill 164, 78th
 2-35 Legislature, Regular Session, 2003, is passed by the house and
 2-36 senate and approved by the governor.

2-37 * * * * *