

By: Shapiro

S.B. No. 971

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the addition of a municipality to the territory of a  
3 regional transportation authority.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Section 452.602, Transportation Code, is amended  
6 by amending Subsection (a) and adding Subsection (a-1) to read as  
7 follows:

8 (a) The territory of a municipality that is not part of an  
9 authority may be added to an authority if:

10 (1) any part of the municipality is located in a county  
11 in which the authority is located, regardless of whether the  
12 municipality is contiguous to the territory of the authority;

13 (2) the municipality has not adopted an additional  
14 municipal sales and use tax, as defined by Section 321.002, Tax  
15 Code;

16 (3) the governing body of the municipality orders an  
17 election under this section on whether the territory of the  
18 municipality should be added to the authority; and

19 (4) [~~(3)~~] a majority of the votes received in the  
20 election favor the measure.

21 (a-1) If addition of the territory of the municipality to  
22 the authority would impair the imposition of the authority's sales  
23 and use tax because the addition would result in a combined sales  
24 and use tax rate of more than two percent in the municipality, the

1 election to approve the addition of the municipality to the  
2 authority is to be treated for all purposes as an election to reduce  
3 the rate of the municipality's sales and use tax to the highest rate  
4 that will not impair the imposition of the authority's sales and use  
5 tax.

6 SECTION 2. This Act takes effect immediately if it receives  
7 a vote of two-thirds of all the members elected to each house, as  
8 provided by Section 39, Article III, Texas Constitution. If this  
9 Act does not receive the vote necessary for immediate effect, this  
10 Act takes effect September 1, 2003.