By: Lindsay S.B. No. 1463

## A BILL TO BE ENTITLED

1	AN ACT
2	relating to the conversion of a non-tolled state highway to a toll
3	facility.
4	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
5	SECTION 1. Subchapter A, Chapter 284, Transportation Code,
6	is amended by adding Section 284.009 to read as follows:
7	Sec. 284.009. CONVEYANCE OF STATE HIGHWAY TO COUNTY.
8	(a) The commission may convey a non-tolled state highway or a
9	segment of a non-tolled state highway, including any real property
10	acquired to construct or operate the highway, to a county for
11	operation and maintenance as a project under this chapter if:
12	(1) the commission determines that the proposed
13	conveyance will improve overall mobility in the region or is the
14	most feasible and economic means to accomplish necessary
15	improvements to the highway;
16	(2) any moneys paid by the department for the
17	construction, maintenance, and operation of the transferred
18	highway are repaid to the department; and
19	(3) the county agrees to assume all liability and
20	responsibility for the maintenance and operation of the highway on
21	its conveyance.
22	(b) A county that receives a highway under Subsection (a)
23	may own, operate, and maintain the highway as a pooled project under

Section 284.065.

- 1 (c) The commission shall, at the time of a conveyance,
  2 remove the highway from the state highway system. After a
  3 conveyance, the department has no liability, responsibility, or
  4 duty for the maintenance or operation of the highway.
- 5 (d) The commission may waive all or a portion of money due 6 under Subsection (a)(2) if it finds that the conveyance will result 7 in substantial net benefits to the state, the department, and the 8 traveling public that equal or exceed the amount of payment waived.
  - (e) Before conveying a highway under this section, the commission shall conduct a public hearing to receive comments from interested persons concerning the proposed conveyance. Notice of the hearing must be published in the Texas Register and one or more newspapers of general circulation in the counties in which the highway is located.
  - (f) A county may use toll revenue collected under this section to fund a transportation project or an air quality project.
- 17 <u>(g) The commission shall adopt rules implementing this</u>
  18 <u>section. The rules shall include criteria and guidelines for</u>
  19 approval of a conveyance of a highway.
  - (h) For purposes of this section:

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- 21 (1) "Air quality project" means any project or program
  22 of the county or another governmental entity that the county
  23 determines will mitigate or prevent air pollution caused by the
  24 construction, maintenance, or use of public roads within the
  25 county.
- 26 (2) "Transportation project" means the construction,
  27 improvement, maintenance, or operation of a transportation

- 1 <u>facility:</u>
- 2 (A) under the jurisdiction of the county or
- 3 another governmental entity;
- 4 (B) located inside or outside the county; and
- 5 <u>(C) that the county determines will improve</u>
- 6 mobility within the county.
- 7 SECTION 2. Section 362.0041, Transportation Code, is
- 8 amended to read as follows:
- 9 Sec. 362.0041. CONVERSION OF PROJECTS. (a) Except a
- 10 provided in Subsection (d), [if] the commission may by order
- 11 convert [finds that the conversion of] a segment of the free state
- 12 highway system to a toll facility if it determines that the
- 13 conversion will improve overall mobility in the region or is the
- 14 most feasible and economic means to accomplish necessary
- 15 [expansion] improvements[, or extensions] to that segment or to
- 16 <u>another segment of</u> the state highway system[, that segment may be
- 17 converted by order of the commission to a turnpike project under
- 19 (b) Prior to converting a segment of the state highway
- 20 system under this section, the commission shall conduct a public
- 21 hearing for the purpose of receiving comments from interested
- 22 persons concerning the proposed transfer. Notice of the hearing
- 23 shall be published in the Texas Register, one or more newspapers of
- 24 general circulation, and a newspaper, if any, published in the
- county or counties in which the involved highway is located.
- 26 (c) The commission shall adopt rules implementing this
- 27 section, including [such rules to include] criteria and guidelines

- 1 for the approval of a conversion of a highway.
- 2 (d) The commission may not convert the Queen Isabella
- 3 Causeway in Cameron County to a toll facility [turnpike project].
- 4 (e) Subchapter G, Chapter 361 applies to a highway converted
- 5 to a toll facility under this section.
- 6 (f) Toll revenue collected under this section shall be
- 7 deposited in the state highway fund and may be used by the
- 8 <u>department for any function performed by the department or to fund</u>
- 9 any air quality project.
- 10 (g) For purposes of this section, the term "air quality
- 11 project" means any project or program of the department or another
- 12 governmental entity that the commission determines will mitigate or
- 13 prevent air pollution caused by the construction, maintenance, or
- 14 use of public roads.
- 15 SECTION 3. Sections 366.035, Transportation Code, is
- 16 amended to read as follows:
- 17 Sec. 366.035. CONVERSION OF STATE HIGHWAY SYSTEM PROJECTS.
- 18 (a) The commission may convey a non-tolled state highway or
- 19 segment of a non-tolled state highway, including any real property
- 20 acquired to construct or operate the highway, to an authority for
- 21 operation and maintenance as a turnpike project under this chapter
- 22 <u>if:</u>
- 23 (1) the commission determines that the proposed
- 24 conveyance will improve overall mobility in the in the region or is
- 25 the most feasible and economic means to accomplish necessary
- 26 improvements to the highway;
- 27 (2) any moneys paid by the department for the

construction, maintenance, and operation of the transferred 1 2

highway are repaid to the department; and

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- (3) the authority agrees to assume all liability and responsibility for the maintenance and operation of the segment of highway on its conveyance. [Except as provided under Subsection (g), if the commission determines that the most feasible and economic means to accomplish necessary expansion, improvements, or extensions to the state highway system is the conversion to a turnpike project of a segment of the free state highway system, any segment located in a county of an authority or a county in which an authority operates a turnpike project or in any county adjacent to those counties may, on approval of the governor and the affected authority, be transferred by order of the commission to that authority.
- (b) An authority that receives the [segment of] highway may own, operate, and maintain the <a href="highway">highway</a> [segment] as a turnpike project or system or a part of a turnpike or system under this chapter.
- (c) The commission may waive all or a portion of money due under Subsection (a)(2) if it finds that the conveyance will result in substantial net benefits to the state, the department, and the traveling public that equal or exceed the amount of payment waived. [(b) An authority shall reimburse the commission for the cost of a transferred highway, unless the commission determines that the transfer will result in substantial net benefits to the state, the department, and the traveling public that exceed that cost. The cost includes the total amount expended by the department for the

original construction of the highway, including all costs associated with the preliminary engineering and design engineering for plans, specifications, and estimates, the acquisition of necessary rights-of-way, and actual construction of the highway and all necessary appurtenant facilities. Costs anticipated to be expended to expand, improve, or extend the highway shall be deducted from the costs to be reimbursed to the commission.

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- 8 (d) [(e)] The commission shall, at the time of a conveyance 9 [transfer], remove the [segment of] highway from the state highway 10 system. After a conveyance [transfer] the commission has no 11 liability, responsibility, or duty for the maintenance or operation 12 of the highway.
  - (e) [(d)] Before conveying [transferring] a [segment of the state] highway [system] under this section, the commission shall conduct a public hearing to receive comments from interested persons concerning the proposed conveyance [transfer]. Notice of the hearing must be published in the Texas Register, one or more newspapers of general circulation in the counties in which the highway [segment] is located, and a newspaper, if any, published in the counties of the applicable authority.
- 21 <u>(f) An authority may use toll revenue collected under this</u> 22 section to fund a transportation project or an air quality project.
- 23 <u>(g)</u> [<del>(e)</del>] The commission shall adopt rules implementing 24 this section. The rules shall include criteria and guidelines for 25 the approval of a <u>conveyance</u> [<del>transfer</del>] of a highway.
- 26 <u>(h)</u> [<del>(f)</del>] An authority shall adopt rules providing criteria 27 and guidelines for approving the acceptance of a highway under this

- 1 section.
- $\underline{\text{(i)}}$  [ $\frac{\text{(g)}}{\text{)}}$ ] The commission may not transfer the Queen
- 3 Isabella Causeway in Cameron County to an authority under this
- 4 section.
- 5 (j) For purposes of this section:
- 6 (1) "Air quality project" means any project or program
- of the authority or another governmental entity that the authority
- 8 determines will mitigate or prevent air pollution caused by the
- 9 construction, maintenance, or use of public roads within the
- 10 counties of the authority.
- 11 (2) "Transportation project" means the construction,
- 12 improvement, maintenance, or operation of a transportation
- 13 <u>facility:</u>
- 14 (A) under the jurisdiction of the authority or
- 15 another governmental entity;
- 16 (B) located inside or outside the counties of the
- 17 authority; and
- 18 (C) that the authority determines will improve
- 19 mobility within the counties of the authority.
- 20 SECTION 4. This Act takes effect immediately if it receives
- 21 a vote of two-thirds of all the members elected to each house, as
- 22 provided by Section 39, Article III, Texas Constitution. If this
- 23 Act does not receive the vote necessary for immediate effect, this
- 24 Act takes effect September 1, 2003.