

BILL ANALYSIS

H.B. 2134
By: Phillips
Transportation
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The Texas Transportation Commission administers the State Infrastructure Bank for the purpose of providing financial assistance to public and private entities for transportation projects. The State Infrastructure Bank is authorized under federal law at 23 U.S.C.A. §181 et seq., to make loans and provide other financial assistance to public and private entities for qualified transportation projects. In enacting the federal act, Congress made the finding that traditional public funding techniques are unable to keep pace with the country's infrastructure investment needs. Consequently, the purpose of the State Infrastructure Bank is to encourage public and private investment in transportation projects thereby allowing states to leverage private co-investment and maximize private and local participation in transportation projects.

While the federal act allows the state to contribute to the State Infrastructure Bank, the current form of the state's enabling statute does not expressly allow for the deposit and use of exclusively state funds into and from the bank for providing authorized financial assistance.

HB 2134 would authorize the creation of one or more subaccounts within the State Infrastructure Bank that are capitalized with only state funds and make other clarifications concerning the administration of the State Infrastructure Bank.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

SECTION 1. Amends Section 222.072(b), Transportation Code, to clarify that the Texas Transportation Commission may deposit state funds in the State Infrastructure Bank.

SECTION 2. Amends Section 222.073, Transportation Code, to clarify that the purpose of the State Infrastructure Bank is to encourage public and private investment in transportation facilities both on and off the state highway system.

SECTION 3. Amends Section 222.076, Transportation Code, to authorize the Texas Transportation Commission to create one or more subaccounts that are capitalized with only state funds, and that are not subject to the federal act. Such state-funded subaccounts shall remain separate from the highway subaccount and transit subaccount required under the federal act.

SECTION 4. Amends Sections 222.077(a) and (c), Transportation Code, to clarify that the State Infrastructure Bank is administered in accordance with the federal act, and that all repayment terms shall be determined by the commission and will comply with the federal act except for those repayment terms relating to subaccounts capitalized with only state funds and no federal funds.

SECTION 5. Provides for immediate effect.

EFFECTIVE DATE

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2005.