

1-1 By: Krusee (Senate Sponsor - Brimer) H.B. No. 2650
1-2 (In the Senate - Received from the House April 20, 2005;
1-3 April 21, 2005, read first time and referred to Committee on
1-4 Transportation and Homeland Security; May 19, 2005, reported
1-5 favorably by the following vote: Yeas 8, Nays 0; May 19, 2005,
1-6 sent to printer.)

1-7 A BILL TO BE ENTITLED
1-8 AN ACT

1-9 relating to local government participation in the financing of
1-10 turnpike projects.

1-11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-12 SECTION 1. Subchapter I, Chapter 361, Transportation Code,
1-13 is amended by adding Section 361.308 to read as follows:

1-14 Sec. 361.308. AGREEMENTS WITH LOCAL GOVERNMENTS. (a) In
1-15 this section, "local government" means a:

1-16 (1) county, municipality, special district, or other
1-17 political subdivision of this state;

1-18 (2) local government corporation created under
1-19 Subchapter D, Chapter 431; or

1-20 (3) combination of two or more entities described by
1-21 Subdivision (1) or (2).

1-22 (b) A local government may enter into an agreement with the
1-23 department or a private entity under which the local government
1-24 assists in the financing of the construction, maintenance, and
1-25 operation of a turnpike project located in the government's
1-26 jurisdiction in return for a percentage of the revenue from the
1-27 project.

1-28 (c) A local government may use any revenue available for
1-29 road purposes, including bond and tax proceeds, to provide
1-30 financing under Subsection (b).

1-31 (d) An agreement under this section between a local
1-32 government and a private entity must be approved by the department.

1-33 (e) Revenue received by a local government under an
1-34 agreement under this section must be used for transportation
1-35 purposes.

1-36 SECTION 2. Subchapter G, Chapter 370, Transportation Code,
1-37 is amended by adding Section 370.317 to read as follows:

1-38 Sec. 370.317. AGREEMENTS WITH LOCAL GOVERNMENTS. (a) In
1-39 this section, "local government" means a:

1-40 (1) county, municipality, special district, or other
1-41 political subdivision of this state;

1-42 (2) local government corporation created under
1-43 Subchapter D, Chapter 431; or

1-44 (3) combination of two or more entities described by
1-45 Subdivision (1) or (2).

1-46 (b) A local government may enter into an agreement with an
1-47 authority or a private entity under which the local government
1-48 assists in the financing of the construction, maintenance, and
1-49 operation of a turnpike project located in the government's
1-50 jurisdiction in return for a percentage of the revenue from the
1-51 project.

1-52 (c) A local government may use any revenue available for
1-53 road purposes, including bond and tax proceeds, to provide
1-54 financing under Subsection (b).

1-55 (d) An agreement under this section between a local
1-56 government and a private entity must be approved by the department.

1-57 (e) Revenue received by a local government under an
1-58 agreement under this section must be used for transportation
1-59 purposes.

1-60 SECTION 3. This Act takes effect September 1, 2005.

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