

AN ACT

relating to use of money of an advanced transportation district to finance advanced transportation or mobility enhancement by a county, municipality, or local government corporation.

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

SECTION 1. Subdivision (4), Section 451.701, Transportation Code, is amended to read as follows:

(4) "Mobility enhancement" means the design, construction, reconstruction, alteration, financing, and maintenance of:

(A) streets, roads, highways, high occupancy vehicle lanes, toll lanes, sidewalks, and infrastructure designed to improve mobility;

(B) traffic signal prioritization and coordination systems;

(C) monitoring systems; ~~and~~

(D) other mobility enhancement facilities, equipment, systems, and services; and

(E) any debt service requirement, capitalized interest, reserve fund requirement, credit agreement as defined by Section 1371.001, Government Code, administrative cost, or other bond-related cost incurred by or relating to the issuance of obligations by a county or municipality or by a local government corporation created under Chapter 431 acting on behalf of a county

1 or municipality relating to the design, construction,
2 reconstruction, alteration, financing, and maintenance of mobility
3 enhancement projects.

4 SECTION 2. Section 451.702, Transportation Code, is amended
5 by amending Subsections (f) and (i) and adding Subsections (k),
6 (l), and (m) to read as follows:

7 (f) The district shall use one-half of the proceeds of the
8 sales and use tax only for advanced transportation purposes as
9 determined by the governing body of the district. Those purposes
10 may include a debt service requirement, capitalized interest,
11 reserve fund requirement, credit agreement as defined by Section
12 1371.001, Government Code, administrative cost, or other
13 bond-related cost incurred by or relating to the issuance of
14 obligations by the district relating to the purchase, design,
15 construction, reconstruction, alteration, financing, and
16 maintenance of advanced transportation facilities, equipment,
17 operations, systems, and services, including a feasibility study,
18 operation, or professional or other service in connection with the
19 facilities, equipment, operations, systems, and services.

20 (i) The governing body of the district shall place
21 one-fourth of the proceeds of the sales and use tax in a separate
22 account. Funds in the account, together with interest or other
23 revenues earned on those funds, may be used as determined by the
24 governing body of the district only to provide the appropriate
25 amount to the Texas Department of Transportation, a county or
26 municipality in which the district is located, or a local
27 government corporation created under Chapter 431 as the local share

1 of a state or federal grant, including a transfer of money by the
2 Texas Department of Transportation or another state or federal
3 entity under an agreement with a county, municipality, or local
4 government corporation created by the county or municipality under
5 Chapter 431, for advanced transportation or mobility enhancement
6 purposes in the territory of the district.

7 (k) Pursuant to its authority under Subsection (i), the
8 governing body of the district may enter into an agreement or other
9 contractual arrangement with a county, municipality, or local
10 government corporation created under Chapter 431 by a county or
11 municipality to transfer proceeds of the district's sales and use
12 tax identified in Subsection (i) to the county, municipality, or
13 local government corporation to finance any cost relating to
14 mobility enhancement purposes in the territory of the district.
15 The county, municipality, or local government corporation may
16 pledge and create a lien on the proceeds transferred. The lien and
17 pledge are subject to Chapter 1208, Government Code. Money of the
18 district other than the portion of the district's sales and use tax
19 identified in Subsection (i) may not be used or obligated for
20 purposes identified in Subsection (i).

21 (l) The governing body of the district may enter into an
22 agreement or contractual arrangement under Subsection (k) without
23 the necessity of an election.

24 (m) As a condition of a payment under Subsection (i), the
25 county, municipality, or local government corporation shall
26 provide the governing body of the district a certificate indicating
27 that the county, municipality, or local government corporation will

1 use the money in conformity with this subchapter.

2 SECTION 3. This Act takes effect immediately if it receives
3 a vote of two-thirds of all the members elected to each house, as
4 provided by Section 39, Article III, Texas Constitution. If this
5 Act does not receive the vote necessary for immediate effect, this
6 Act takes effect September 1, 2005.

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 1434 passed the Senate on
April 21, 2005, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 1434 passed the House on
May 20, 2005, by the following vote: Yeas 139, Nays 0, two
present not voting.

Chief Clerk of the House

Approved:

Date

Governor