

By: Madla

S.B. No. 1434

A BILL TO BE ENTITLED

1 AN ACT

2 relating to use of money of an advanced transportation district to
3 pay or secure bond-related costs of a county, municipality, or
4 local government corporation.

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

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

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

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

14 (B) traffic signal prioritization and
15 coordination systems;

16 (C) monitoring systems; ~~and~~

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

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

1 or municipality.

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

5 (i) The governing body of the district shall place
6 one-fourth of the proceeds of the sales and use tax in a separate
7 account. Funds in the account, together with interest or other
8 revenues earned on those funds, may be used as determined by the
9 governing body of the district only in the territory of the
10 district:

11 (1) to provide the appropriate amount to the Texas
12 Department of Transportation as the local share of a state or
13 federal grant for advanced transportation or mobility enhancement
14 purposes; and

15 (2) for the purposes provided by Subsection (k) [~~in~~
16 ~~the territory of the district]~~.

17 (k) The governing body of the district may enter into an
18 agreement or other contractual arrangement with a county,
19 municipality, or local government corporation created under
20 Chapter 431 by a county or municipality to transfer and create a
21 lien on and pledge of the part of the district's sales and use tax
22 identified in Subsection (i) for the benefit of obligations issued
23 or incurred by the county, municipality, or local government
24 corporation to finance any cost relating to mobility enhancement
25 purposes.

26 (l) A lien or pledge under Subsection (k) is subject to
27 Chapter 1208, Government Code.

1 (m) The governing body of the district may enter into an
2 agreement or contractual arrangement under Subsection (k) without
3 the necessity of an election.

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