

1-1 By: Madla S.B. No. 1434  
1-2 (In the Senate - Filed March 10, 2005; March 21, 2005, read  
1-3 first time and referred to Committee on Intergovernmental  
1-4 Relations; April 12, 2005, reported adversely, with favorable  
1-5 Committee Substitute by the following vote: Yeas 5, Nays 0;  
1-6 April 12, 2005, sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR S.B. No. 1434 By: Madla

1-8 A BILL TO BE ENTITLED  
1-9 AN ACT

1-10 relating to use of money of an advanced transportation district to  
1-11 finance advanced transportation or mobility enhancement by a  
1-12 county, municipality, or local government corporation.

1-13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-14 SECTION 1. Subdivision (4), Section 451.701,  
1-15 Transportation Code, is amended to read as follows:

1-16 (4) "Mobility enhancement" means the design,  
1-17 construction, reconstruction, alteration, financing, and  
1-18 maintenance of:

1-19 (A) streets, roads, highways, high occupancy  
1-20 vehicle lanes, toll lanes, sidewalks, and infrastructure designed  
1-21 to improve mobility;

1-22 (B) traffic signal prioritization and  
1-23 coordination systems;

1-24 (C) monitoring systems; ~~and~~

1-25 (D) other mobility enhancement facilities,  
1-26 equipment, systems, and services; and

1-27 (E) any debt service requirement, capitalized  
1-28 interest, reserve fund requirement, credit agreement as defined by  
1-29 Section 1371.001, Government Code, administrative cost, or other  
1-30 bond-related cost incurred by or relating to the issuance of  
1-31 obligations by a county or municipality or by a local government  
1-32 corporation created under Chapter 431 acting on behalf of a county  
1-33 or municipality relating to the design, construction,  
1-34 reconstruction, alteration, financing, and maintenance of mobility  
1-35 enhancement projects.

1-36 SECTION 2. Section 451.702, Transportation Code, is amended  
1-37 by amending Subsections (f) and (i) and adding Subsections (k),  
1-38 (l), and (m) to read as follows:

1-39 (f) The district shall use one-half of the proceeds of the  
1-40 sales and use tax only for advanced transportation purposes as  
1-41 determined by the governing body of the district. Those purposes  
1-42 may include a debt service requirement, capitalized interest,  
1-43 reserve fund requirement, credit agreement as defined by Section  
1-44 1371.001, Government Code, administrative cost, or other  
1-45 bond-related cost incurred by or relating to the issuance of  
1-46 obligations by the district relating to the purchase, design,  
1-47 construction, reconstruction, alteration, financing, and  
1-48 maintenance of advanced transportation facilities, equipment,  
1-49 operations, systems, and services, including a feasibility study,  
1-50 operation, or professional or other service in connection with the  
1-51 facilities, equipment, operations, systems, and services.

1-52 (i) The governing body of the district shall place  
1-53 one-fourth of the proceeds of the sales and use tax in a separate  
1-54 account. Funds in the account, together with interest or other  
1-55 revenues earned on those funds, may be used as determined by the  
1-56 governing body of the district only to provide the appropriate  
1-57 amount to the Texas Department of Transportation, a county or  
1-58 municipality in which the district is located, or a local  
1-59 government corporation created under Chapter 431 as the local share  
1-60 of a state or federal grant, including a transfer of money by the  
1-61 Texas Department of Transportation or another state or federal  
1-62 entity under an agreement with a county, municipality, or local  
1-63 government corporation created by the county or municipality under

2-1 Chapter 431, for advanced transportation or mobility enhancement  
2-2 purposes in the territory of the district.

2-3 (k) Pursuant to its authority under Subsection (i), the  
2-4 governing body of the district may enter into an agreement or other  
2-5 contractual arrangement with a county, municipality, or local  
2-6 government corporation created under Chapter 431 by a county or  
2-7 municipality to transfer proceeds of the district's sales and use  
2-8 tax identified in Subsection (i) to the county, municipality, or  
2-9 local government corporation to finance any cost relating to  
2-10 mobility enhancement purposes in the territory of the district.  
2-11 The county, municipality, or local government corporation may  
2-12 pledge and create a lien on the proceeds transferred. The lien and  
2-13 pledge are subject to Chapter 1208, Government Code. Money of the  
2-14 district other than the portion of the district's sales and use tax  
2-15 identified in Subsection (i) may not be used or obligated for  
2-16 purposes identified in Subsection (i).

2-17 (l) The governing body of the district may enter into an  
2-18 agreement or contractual arrangement under Subsection (k) without  
2-19 the necessity of an election.

2-20 (m) As a condition of a payment under Subsection (i), the  
2-21 county, municipality, or local government corporation shall  
2-22 provide the governing body of the district a certificate indicating  
2-23 that the county, municipality, or local government corporation will  
2-24 use the money in conformity with this subchapter.

2-25 SECTION 3. This Act takes effect immediately if it receives  
2-26 a vote of two-thirds of all the members elected to each house, as  
2-27 provided by Section 39, Article III, Texas Constitution. If this  
2-28 Act does not receive the vote necessary for immediate effect, this  
2-29 Act takes effect September 1, 2005.

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