S.B. No. 1623 By: Lindsay

## A BILL TO BE ENTITLED

AN ACT

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- relating to the planning, construction, and operation of toll road 2 projects by certain counties.
- BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 4
- SECTION 1. Section 284.001(3), Transportation Code, 5
- amended to read as follows: 6
- 7 (3) "Project" means a causeway, bridge, tunnel,
- 8 turnpike, highway, or any combination of those facilities,
- 9 including:

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- (A) 10 necessary overpass, underpass,
- 11 interchange, entrance plaza, toll house, service station,
- 12 approach, fixture, and accessory and necessary equipment;
- 13 (B) necessary administration, storage, and other
- 14 buildings; [and]
- all property rights, easements, and related 15 (C)
- 16 interests acquired; and
- (D) "Project" does not include an overpass, 17
- 18 underpass, or interchange with a road on the state highway system
- unless that overpass, underpass, or interchange is designated by 19
- order of the County as part of the Project. 20
- 21 SECTION 2. Section 284.008, Transportation Code is amended
- by amending subsection (c) and adding subsections (d), (e), (f), 22
- 23 (g), and (h) to read as follows:
- Except as provided in subsection (d), a project becomes 24

- 1 a part of the state highway system and the commission shall maintain
- 2 the project without tolls when:
- 3 (1) all of the bonds and interest on the bonds that are
- 4 payable from or secured by revenues of the project have been paid;
- 5 or
- 6 (2) a sufficient amount for the payment of all bonds
- 7 and the interest on the bonds to maturity has been set aside in a
- 8 trust fund held for the benefit of the bondholders.
- 9 (d) A county may request that the Commission designate a
- 10 Project under this chapter excluded from the State Highway System.
- 11 If the Commission concurs with the request, the Commission shall
- 12 adopt a minute order that states that the Project is excluded from
- the State Highway System. Thereafter, the Project:
- 14 (1) is not subject to review or approval by the
- 15 Department, except for that part of the Project within the State's
- 16 right-of-way that connects to the State Highway System;
- 17 (2) must be maintained by the County; and
- 18 (3) does not become part of the State Highway System,
- 19 except as provided in subsection (e).
- (e) A county may transfer to the department a toll road
- 21 project that has outstanding bonded indebtedness if the commission:
- 22 <u>(1) agrees to the transfer; and</u>
- 23 (2) agrees to assume the outstanding bonded
- 24 indebtedness.
- 25 (f) The commission may assume the outstanding bonded
- 26 indebtedness only if the assumption:
- 27 (1) is not prohibited under the terms of an existing

- 1 trust agreement or indenture securing bonds or other obligations
- 2 issued by the commission for another project;
- 3 (2) does not prevent the commission from complying
- 4 with covenants of the commission under an existing trust agreement
- 5 or indenture; and
- 6 (3) does not cause a rating agency maintaining a
- 7 rating on outstanding obligations of the commission to lower the
- 8 existing rating.
- 9 (g) If the commission agrees to the transfer under
- 10 Subsection (e), the county shall convey the toll road project and
- 11 any real property acquired to construct or operate the toll road
- 12 project to the department.
- 13 (h) At the time of a conveyance under this section, the
- 14 commission shall designate the toll road project as part of the
- 15 state highway system. After the designation, the county has no
- 16 liability, responsibility, or duty to maintain or operate the
- 17 Project.
- SECTION 3. Section 284.067(3), Transportation Code, is
- 19 amended to read as follows:
- (c) [Each] Any county into which the project extends, by
- 21 condemnation or another method under general law, may acquire the
- 22 property necessary for the project, provided that a county may not
- 23 <u>condemn property in another county until after the resolution</u>
- required by subsection (a) is adopted. The county issuing the bonds
- 25 may use the bond proceeds to acquire property necessary for the
- 26 project in any county into which the project extends.
- 27 SECTION 4. Section 284.066, Transportation Code, is amended

- 1 by adding subsection (e) to the following:
- 2 (e) If the operating board is a local government
- 3 corporation, or if a local government corporation is acting
- 4 pursuant this Chapter then:
- 5 (1) A director is entitled to receive fees of office of
- 6 not more than \$150 a day for each day the director actually spends
- 7 performing the duties of a director. In this subsection,
- 8 "performing the duties of a director" means substantive performance
- 9 of the management or business of a project, including participation
- 10 <u>in board and committee meetings and other activities involving the</u>
- 11 <u>substantive deliberation of business and in pertinent educational</u>
- 12 programs related to a Project. The phrase does not include routine
- 13 or ministerial activities such as the execution of documents,
- 14 <u>self-preparation for meetings</u>, or other activities requiring a
- 15 minimal amount of time.
- 16 (2) An operating board or local government
- 17 corporation, by resolution of the board, shall set a limit on the
- 18 fees of office that a director may receive in a year, which amount
- 19 may not exceed \$7,200.
- 20 (3) Each director is also entitled to receive
- 21 reimbursement of actual expenses reasonably and necessarily
- 22 incurred while engaging in activities on behalf of the operating
- 23 board or local government corporation.
- 24 (4) In order to receive fees of office and to receive
- 25 <u>reimbursement for expenses, each director shall file with the</u>
- 26 county or local government corporation a verified statement showing
- 27 the number of days actually spent in the service of the district and

- 1 a general description of the duties performed for each day of
- 2 service.
- 3 SECTION 5. Section 395.001(a), Transportation Code, is
- 4 amended to read as follows:
- 5 (a) This subchapter applies only to:
- 6 (1) the governing body of a toll road authority in
- 7 which a county with a population of 2.4 million or more is located
- 8 or the governing body of a toll road authority in a county adjacent
- 9 thereto; and
- 10 (2) an outdoor sign.
- 11 SECTION 6. Section 395.051(a), Transportation Code, is
- 12 amended to read as follows:
- 13 (a) This subchapter applies only to a county with a
- population of more than 3.3 million, or a county adjacent thereto.
- 15 SECTION 7. This Act takes effect immediately if it receives
- 16 a vote of two-thirds of all the members elected to each house, as
- 17 provided by Section 39, Article III, Texas Constitution. If this
- 18 Act does not receive the vote necessary for immediate effect, this
- 19 Act takes effect September 1, 2005.