

BILL ANALYSIS

H.B. 3715
By: Krusee
Transportation
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Current law allows the Department of Transportation and regional mobility authorities to enter into comprehensive development agreements under which a private participant may pay a concession fee for the right to operate and collect revenue from certain transportation projects.

H.B. 3715 would grant the Department and regional mobility authorities the authority in the event of elective termination of a comprehensive development agreement to (1) issue bonds to make any applicable termination payments to the private participant or to purchase the interest of the private participant in the comprehensive development agreement or related property or (2) provide for the payment of obligations of the private participant incurred pursuant to the comprehensive development agreement.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

SECTION 1. Amends Subchapter E, Chapter 223, Transportation Code, by adding Section 223.210 as follows:

Provides that if the department elects to terminate a comprehensive development agreement under which a private participant has paid a concession fee for the right to operate and collect revenue from a project, the department may: (1) issue bonds under Section 228.102 if the project is a toll project, Subchapter M, Chapter 201, or other authority to make any applicable termination payments to the private participant or purchase the interest of the private participant in the comprehensive development agreement or related property; or (2) provide for the payment of obligations of the private participant incurred pursuant to the comprehensive development agreement.

SECTION 2. Amends Subchapter G, Chapter 370, Transportation Code, by adding Section 370.3125 as follows:

Provides that if a regional mobility authority elects to terminate a comprehensive development agreement under which a private participant has paid a concession fee for the right to operate and collect revenue from a project, the authority may: (1) issue bonds under Subchapter D to make any applicable termination payments to the private participant or purchase the interest of the private participant in the comprehensive development agreement or related property; or (2) provide for the payment of obligations of the private participant incurred pursuant to the comprehensive development agreement.

SECTION 3. Effective Date: September 1, 2007.

EFFECTIVE DATE

September 1, 2007.