

## **BILL ANALYSIS**

C.S.H.B. 3819

By: Merritt  
Border & International Affairs  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

The quality of life for Texans might be greatly improved by creating a form of transportation that provides a safer, faster, and more reliable means for people to travel in the Texas-Mexico and Texas-Louisiana border regions. Such a system could reduce air pollution and support economic growth.

C.S.H.B. 3819 would create a border region high speed rail authority to finance, construct, maintain, and operate a high-speed rail system in the border regions of Texas.

### **RULEMAKING AUTHORITY**

It is the opinion of the committee that rulemaking authority is expressly granted to a board of directors of a border region high-speed rail authority in SECTION 1 of this bill, and to a border region high-speed rail authority in SECTION 1 of this bill.

### **ANALYSIS**

C.S.H.B. 3819 amends the Revised Statutes by establishing Border Region High-Speed Rail Authorities and providing appropriate definitions, including border region as either the Texas-Louisiana border region or the Texas-Mexico border region, as defined by the Government Code. The bill authorizes the Texas Transportation Commission by order to create a border region high-speed rail authority in each border region for the purposes of financing, acquiring property for, constructing, maintaining, operating, and improving a high-speed rail system in each border region.

The bill provides for the composition, appointment, and operation of a board of directors of a border region high-speed rail authority. The bill also sets forth the powers and duties of a border region high-speed rail authority. The bill authorizes, under certain requirements, for an authority to issue revenue bonds and notes for the acquisition, purchase, construction, reconstruction, repair, equipping, improvement, or extension of the authority's high-speed rail facilities. The bill also provides, under certain requirements and exceptions, for competitive bids for certain contracts in the amount of more than \$15,000.

The bill exempts the property, material purchases, revenues, and income of an authority and the interest on a bond or note issued by an authority from all taxes imposed by this state or a political subdivision of this state. The bill provides for the imposition and calculation of a sales and use tax on items sold on authority property. The bill also provides under the imposition of a sales and use tax, for the abolishment of all other local sales and use taxes that would otherwise be imposed and sets forth certain requirements for the authority and the comptroller. The bill also provides for the application of an imposed sales and use tax and the application for the abolishment of a local sales and use tax that would otherwise be imposed.

### **EFFECTIVE DATE**

September 1, 2007.

### **COMPARISON OF ORIGINAL TO SUBSTITUTE**

The substitute differs from the original by deleting language granting an authority with the right of eminent domain, and makes conforming changes.

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