

BILL ANALYSIS

Senate Research Center

C.S.S.B. 995
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Transportation & Homeland Security
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Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Toll roads are playing an increasingly large part in the improvement and expansion of transportation infrastructure. Typical toll contracts give private entities the right to collect tolls for long periods of time and the financial details of such contracts are not made readily available to the public. Even if a citizen can procure such details, they are extremely convoluted and difficult to discern. Current law provides no guarantee that citizens will be given an opportunity to voice their objections and concerns to the responsible tolling entity.

C.S.S.B. 995 requires toll project entities to disclose, in the newspapers of affected counties, the financial details of a toll contract and requires those entities to hold public hearings before entering into a toll project contract.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subtitle G, Title 6, Transportation Code, by adding Chapter 371, as follows:

CHAPTER 371. PROVISIONS APPLICABLE TO MORE THAN ONE TYPE OF TOLL PROJECT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 371.001. DEFINITIONS. Defines “toll project” and “toll project entity.”

[Reserves Sections 371.002-371.050 for expansion.]

SUBCHAPTER B. PUBLIC DISCLOSURE

Sec. 371.051. DISCLOSURE OF FINANCIAL INFORMATION. (a) Requires a toll project entity (entity) to publish, in the manner provided by Section 371.052, certain information regarding the financing of a toll project, whether the toll project will be continued to be tolled after the debt is repaid, a description of the method used to set toll rates, a description of any contract terms relating to competing facilities, and public buy back provisions before entering into a contract for the construction of the project.

(b) Prohibits an entity from entering into a contract for the construction of a toll project before the 30th day after the date of publication of the information under Section 371.052.

Sec. 371.052. DISCLOSURE BY PUBLICATION. (a) Requires the information under Section 371.051 to be published in a newspaper published in the county in which the toll project is to be constructed once a week for at least two weeks before entering into the contract and in two other newspapers the entity may designate.

(b) Authorizes the information to be published in two successive issues of a newspaper published in the county in which the improvement is to be made, rather than as required by Subsection (a), if the entity estimates the contract to involve an amount less than \$300,000.

(c) Requires notice to be published in a newspaper published in a certain county if a newspaper is not published in the county in which the improvement is to be made.

Sec. 371.053. HEARING. Requires an entity to hold a public hearing on the information published under Section 371.052 after its publication and before entering into the contract.

SECTION 2. Effective date: September 1, 2007.