By: Hill H.B. No. 2987

## A BILL TO BE ENTITLED

1 AN ACT

2 relating to use of a portion of the money in the Texas Mobility Fund

3 for mass transit projects.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Subchapter M, Chapter 201, Transportation Code,

is amended by adding Section 201.948 to read as follows:

7 Sec. 201.948. MASS TRANSIT GRANTS. (a) In this section,

"mass transit" means the transportation of passengers and

hand-carried packages or baggage of a passenger by bus, light rail,

10 or commuter rail.

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- 11 (b) The comptroller shall use the money dedicated to mass
- 12 transit projects and operations by Section 49-k(c-1), Article III,
- 13 Texas Constitution, to make grants to municipalities to finance
- 14 mass transit projects that the comptroller determines will best
- 15 expand and improve mass transit services available to residents of
- 16 the state. A municipality receiving a grant may use the money
- 17 <u>directly or deliver the money to another governmental entity</u>,
- 18 <u>including a transit authority</u>, that provides mass transit services
- 19 within the municipal boundaries of the municipality, regardless of
- 20 whether the projects of the other entity are within those
- 21 boundaries. Money from a grant may be used only to finance capital
- 22 costs of a project, including debt service for debt financing of
- 23 capital costs, and may not be used:
- 24 (1) to pay operating costs; or

- 1 (2) to finance a project of a regional mobility
- 2 <u>authority</u>.
- 3 (c) To be eligible to receive a grant under this section, a
- 4 <u>municipality must:</u>
- 5 (1) apply to the comptroller on a form prescribed by
- 6 the comptroller;
- 7 (2) commit to dedicate an amount of its own money equal
- 8 to the amount of grant sought to fund the project for which the
- 9 grant is sought; and
- 10 (3) provide the comptroller any information the
- 11 comptroller requests to determine whether the grant should be made.
- 12 (d) The comptroller may adopt rules to administer this
- 13 <u>section</u>. Notwithstanding Section 201.942, the comptroller shall
- 14 administer the grant program created by this section, including
- 15 determination of grant recipients, the amount and the manner of
- 16 delivery of a grant, conditions on use of the grant, and other
- 17 matters necessary to the operation of the grant program.
- 18 SECTION 2. This Act takes effect on the date on which the
- 19 constitutional amendment proposed by the 80th Legislature, Regular
- 20 Session, 2007, providing for use of a portion of the money in the
- 21 Texas Mobility Fund for mass transit projects takes effect. If that
- 22 amendment is not approved by the voters, this Act has no effect.