By: Krusee H.B. No. 3782

Substitute the following for H.B. No. 3782:

By: Phillips C.S.H.B. No. 3782

A BILL TO BE ENTITLED

1 AN ACT

- 2 relating to the relocation of utility facilities required by
- 3 improvement of a state highway.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 5 SECTION 1. Sections 203.092(a-1), (a-2), and (a-3),
- 6 Transportation Code, are amended to read as follows:
- 7 (a-1) Notwithstanding Subsection (a)(3) $\left[\frac{a}{a}\right]$, the
- 8 department and the utility shall share equally the cost of the
- 9 relocation of a utility facility that is made before September 1,
- 10 2013 [2007], and required by the improvement of a nontolled highway
- 11 to add one or more tolled lanes. This subsection expires September
- 12 1, 2013 [2007].
- 13 (a-2) Notwithstanding Subsection (a)(3) $[\frac{(a)}{(a)}]$, the
- 14 department and the utility shall share equally the cost of the
- 15 relocation of a utility facility that is made before September 1,
- 16 $\underline{2013}$ [$\underline{2007}$], and required \underline{by} [\underline{for}] the improvement of a nontolled
- 17 highway that has been converted to a turnpike project or toll
- 18 project. This subsection expires September 1, 2013 [2007].
- 19 (a-3) Notwithstanding Subsection (a)(3) $[\frac{(a)}{(a)}]$, the
- 20 department and the utility shall share equally the cost of the
- 21 relocation of a utility facility that is made before September 1,
- 22 2013 [$\frac{2007}{}$], and required by [$\frac{for}{}$] the construction on a new
- 23 location of a turnpike project or toll project or the expansion of
- 24 such a turnpike project or toll project. This subsection expires

- 1 September 1, 2013 [2007].
- 2 SECTION 2. Subchapter E, Chapter 203, Transportation Code,
- 3 is amended by adding Section 203.0922 to read as follows:
- 4 Sec. 203.0922. PREPAYMENT FUNDING AGREEMENT FOR RELOCATION
- 5 OF UTILITY FACILITIES. (a) On the request of a utility, the
- 6 commission shall by rule authorize the department to enter into a
- 7 prepayment funding agreement with the utility to reimburse the
- 8 utility for the direct and related indirect costs of the relocation
- 9 of a utility facility that is required by the improvement of a
- 10 segment of the state highway system, including a turnpike project
- 11 or toll project, for which the utility is not eligible for
- 12 reimbursement under Section 203.092. The agreement must:
- 13 (1) require the utility to prepay to the department an
- annual amount as provided by Subsection (b) or (c);
- 15 <u>(2)</u> be for a term:
- 16 (A) that is a multiple of three years; and
- 17 (B) of at least six years;
- 18 (3) set forth a methodology for the utility to submit,
- document, and substantiate reimbursable costs under the agreement;
- 20 and
- 21 (4) set forth a methodology for the department to
- reimburse the utility its reimbursable costs under the agreement in
- 23 a timely manner.
- (b) The annual prepayment amount for each year of the
- 25 initial three-year period of a prepayment funding agreement is
- 26 equal to 75 percent of the annual average of the direct and related
- 27 indirect costs incurred for relocation of the utility's facilities

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- 1 on applicable segments of the state highway system during the
- 2 preceding three years for which the utility is not otherwise
- 3 eligible for reimbursement under Section 203.092.
- 4 (c) The annual prepayment amount for each year of a
- 5 subsequent three-year period of a prepayment funding agreement is
- 6 equal to 75 percent of the annual average of the direct and related
- 7 indirect costs paid by the department or reimbursed to the utility
- 8 under the agreement for relocation of the utility's facilities on
- 9 applicable segments of the state highway system during the
- 10 preceding three years for which the utility is not otherwise
- eligible for reimbursement under Section 203.092.
- 12 <u>(d) The department may not establish a prepayment amount</u>
- that unreasonably discriminates among utilities.
- (e) If a change in law causes all or a part of the cost of the
- 15 relocation of a utility facility that was eligible for
- reimbursement under Section 203.092(a)(1) at the time a prepayment
- 17 funding agreement was entered into under this section to cease to be
- 18 eligible for reimbursement, that amount, beginning on the effective
- 19 date of the applicable change in law, is considered to be a cost
- 20 that is not otherwise eligible for reimbursement under Section
- 21 203.092 for purposes of the prepayment funding agreement.
- 22 (f) Notwithstanding any law to the contrary, an obligation
- of the commission or the department to make a payment to a utility
- 24 under a prepayment funding agreement entered into under this
- 25 section may be enforced by mandamus against the commission, the
- 26 department, and the comptroller in a district court of Travis
- 27 County, and the sovereign immunity of the state is waived for that

- 1 purpose. The district courts of Travis County have exclusive
- 2 jurisdiction and venue over any action brought under this
- 3 subsection. The remedy provided by this subsection is in addition
- 4 to any legal and equitable remedies that may be available to a party
- 5 to a prepayment funding agreement.
- 6 (g) This section or a contractual right obtained under an
- 7 <u>agreement under this section does not:</u>
- 8 <u>(1) make the department or a utility subject to new or</u>
- 9 additional licensing, certification, or regulatory jurisdiction of
- 10 the Public Utility Commission of Texas, Texas Department of
- 11 Insurance, or Railroad Commission of Texas; or
- 12 (2) supersede or otherwise affect a provision of
- 13 another law applicable to the department or a utility regarding
- 14 licensing, certification, or regulatory jurisdiction of an agency
- 15 <u>listed in Subdivision (1).</u>
- (h) A payment received by the department under this section
- 17 must be deposited to the credit of the state highway fund and is
- 18 exempt from the application of Subchapter D, Chapter 316,
- 19 Government Code, and Section 403.095, Government Code.
- 20 (i) The commission shall appoint a rules advisory committee
- 21 to advise the department and the commission on development of the
- 22 <u>commission's rules, including initial rules and additions or</u>
- changes to the rules, required by this section. The committee shall
- 24 consist solely of members representing interested utilities.
- 25 Chapter 2110, Government Code, does not apply to the committee.
- 26 (j) An agreement entered into by the department and a
- 27 utility under this section remains in force until its termination

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- 1 or expiration.
- 2 (k) This section expires September 1, 2013.
- 3 SECTION 3. This Act takes effect immediately if this Act
- 4 receives a vote of two-thirds of all the members elected to each
- 5 house, as provided by Section 39, Article III, Texas Constitution.
- 6 If this Act does not receive the vote necessary for immediate
- 7 effect, this Act takes effect September 1, 2007.