

By: Carona

S.B. No. 275

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the length of certain agreements with private entities
3 related to transportation projects.

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

5 SECTION 1. Section 223.208(h), Transportation Code, is
6 amended to read as follows:

7 (h) Except as provided by this section, a comprehensive
8 development agreement with a private participant that includes the
9 collection by the private participant of tolls for the use of a toll
10 project may be for a term not longer than 30 [~~50~~] years. [~~The~~
11 ~~comprehensive development agreement may be for a term not longer~~
12 ~~than 70 years if the agreement.~~

13 [~~(1) contains an explicit mechanism for setting the~~
14 ~~price for the purchase by the department of the interest of the~~
15 ~~private participant in the comprehensive development agreement and~~
16 ~~related property, including any interest in a highway or other~~
17 ~~facility designed, developed, financed, constructed, operated, or~~
18 ~~maintained under the agreement, and~~

19 [~~(2) outlines the benefit the state will derive from~~
20 ~~having a term longer than 50 years.]~~

21 SECTION 2. Section 227.023(f), Transportation Code, is
22 amended to read as follows:

23 (f) A contract with a private entity that includes the
24 collection by the private entity of a fee for the use of a facility

1 may not be for a term longer than 30 [~~50~~] years.

2 SECTION 3. Section 370.302(i), Transportation Code, is
3 amended to read as follows:

4 (i) An agreement with a private entity that includes the
5 collection by the private entity of tolls for the use of a
6 transportation project may not be for a term longer than 30 [~~50~~]
7 years.

8 SECTION 4. Title 6, Transportation Code, as amended by this
9 Act, applies only to a contract entered into on or after the
10 effective date of this Act. A contract entered into before the
11 effective date of this Act is governed by the law in effect when the
12 contract was entered into, and the former law is continued in effect
13 for that purpose.

14 SECTION 5. This Act takes effect immediately if it receives
15 a vote of two-thirds of all the members elected to each house, as
16 provided by Section 39, Article III, Texas Constitution. If this
17 Act does not receive the vote necessary for immediate effect, this
18 Act takes effect September 1, 2007.