

Amend CSHB 300 (house committee printing) by adding the following appropriately numbered ARTICLE to the bill and renumbering subsequent ARTICLES of the bill accordingly:

ARTICLE _____. TEXAS LOCAL PARTICIPATION TRANSPORTATION PROGRAM

SECTION _____. Chapter 403, Government Code, is amended by adding Subchapter O to read as follows:

SUBCHAPTER O. TEXAS LOCAL PARTICIPATION TRANSPORTATION PROGRAM

Sec. 403.351. DEFINITIONS. In this section:

(1) "Department" means the Texas Department of Transportation.

(2) "Fund" means the Texas local participation transportation fund.

(3) "Local project sponsor" means:

(A) a municipality;

(B) a county, including a county acting under Chapter 284, Transportation Code;

(C) a regional mobility authority under Chapter 370, Transportation Code; or

(D) a regional tollway authority under Chapter 366, Transportation Code.

(4) "Program" means the Texas Local Participation Transportation Program created under this subchapter.

(5) "Project" means a tolled or non-tolled facility:

(A) authorized under Section 222.104, Transportation Code; and

(B) sponsored by a local project sponsor.

(6) "Total project cost" in connection with a project means the estimated costs of:

(A) planning, environmental assessment, regulatory permitting and compliance, design, construction, construction oversight and inspection, right-of-way acquisition, utility relocation, program management, legal services, and financial advisory services; and

(B) financing, but only to the extent financing costs relate to the securitization of amounts received from the fund and received under an agreement made under Section 222.104, Transportation Code.

Sec. 403.352. TEXAS LOCAL PARTICIPATION TRANSPORTATION FUND. (a) The Texas local participation transportation fund is a dedicated account in the general revenue fund.

(b) The fund is composed of:

(1) money transferred to the fund at the direction of the legislature;

(2) gifts and grants contributed to the fund;

(3) interest and earnings received from investments of money in the fund; and

(4) money repaid by a local project sponsor under a loan made under this subchapter.

(c) Money in the fund may be used only for the administration of this subchapter and may not be appropriated for any other purpose.

(d) Sections 403.095 and 404.071 do not apply to the fund.

Sec. 403.353. GIFTS AND GRANTS. The comptroller may solicit and accept gifts and grants to the fund. A gift or grant to the fund may be used in the same manner as other money in the fund, subject to any limitation or requirement placed on the gift or grant by the donor or granting entity.

Sec. 403.354. RULEMAKING AUTHORITY. The comptroller may adopt rules relating to the implementation of the program and any other rules necessary to accomplish the purposes of this subchapter.

Sec. 403.355. TEXAS LOCAL PARTICIPATION TRANSPORTATION PROGRAM. (a) The comptroller shall administer a program to encourage local project sponsors to participate in the delivery of eligible projects by providing the sponsors disbursements from the fund.

(b) In administering the program, the comptroller shall develop a process for certifying the eligibility of projects nominated by local project sponsors for disbursements from the fund. The process must require a local project sponsor to submit a request for certification that includes:

(1) a description of the benefits anticipated to result from the project, including the impact on:

(A) local economic development and

diversification;

(B) congestion on public highways, future mobility needs of this state, and the development or expansion of transportation in the state;

(C) safety to the traveling public; and

(D) air quality;

(2) a description of local support for the project and any known local public opposition;

(3) a proposed schedule for the development and completion of the project, including an estimate of the date on which the project will be open to traffic; and

(4) a commitment by the local project sponsor to comply with all state or federal laws.

(c) In addition to information provided under Subsection (b), a request for certification must contain:

(1) sufficient information to determine that the local project sponsor is an entity eligible to receive funding under this subchapter;

(2) a specific description of the project, including project limits and connections with other transportation facilities;

(3) identification of the scope of work to be completed and a detailed estimate of total project costs;

(4) a commitment that the local project sponsor intends to enter into an agreement for development of the project under Section 222.104, Transportation Code; and

(5) a proposed plan for funding the project that:

(A) is in compliance with Subsection (d); and

(B) specifically identifies the contribution of local sources to the total project cost.

(d) An eligible project may not receive more than 50 percent of the total project cost from the fund.

Sec. 403.356. DETERMINATION OF CONTRIBUTION. For purposes of determining the amount contributed by local sources to the total project cost under Section 403.355, a sponsor may include, as applicable, funds on hand, ad valorem taxes, local option taxes or fees dedicated to the project, economic development grants, other

project specific gifts and grants, and, if the project is planned as a toll facility, toll revenues.

Sec. 403.357. ADMINISTRATION OF PROGRAM. In administering the program the comptroller shall:

(1) prepare an annual report projecting the amount of funding available based on estimates of future deposits to the fund and of money to be repaid to the fund by local project sponsors under loans made under this subchapter;

(2) establish guidelines for disbursements from the fund that link disbursements with proposed project development and completion schedules submitted under Section 403.355(b)(3); and

(3) establish guidelines and protocols for use by the department in certifying that a project for which a request for certification is submitted is not inconsistent with existing and planned improvements to the state highway system.

Sec. 403.358. PROJECT CERTIFICATION. (a) If the comptroller finds that a project for which a request for certification is submitted is eligible for disbursements from the fund, the comptroller shall:

(1) issue a certification to the local project sponsor to begin negotiations with the department under Section 222.104, Transportation Code; and

(2) provide the department, based on the type of projects that will most effectively meet the economic development needs of this state, with guidelines that the department shall follow in advancing projects authorized under Section 222.104, Transportation Code, and negotiating agreements for projects under that section, so that projects may be certified under this subchapter as eligible for funding, including guidelines on:

(A) prescribing the roles and responsibility of the parties for all significant work to be performed;

(B) delegating to the local project sponsor, to the maximum extent permitted by law, the full responsibility for project development;

(C) requiring a local project sponsor to meet state design criteria, construction specifications, and contract administration procedures unless the department grants an

exception; and

(D) defining the maximum total funds available for the project in consideration of the total project costs and the money available in the fund.

(b) A project for which a certification is issued under this section does not require further approval by the department under Section 222.104, Transportation Code, before an agreement may be made.

Sec. 403.359. FUND DISBURSEMENTS. (a) After a project is certified under this subchapter, the comptroller may make disbursements from the fund to a local project sponsor in the form of a grant or loan in accordance with guidelines established under Section 403.357(2).

(b) The comptroller may not make a disbursement from the fund for a project until there is a signed agreement under Section 222.104, Transportation Code, that is consistent with Section 403.358(a)(2).

Sec. 403.360. FEES. In connection with each application for certification of a project under this subchapter, the comptroller shall impose and collect from the local project sponsor an application fee in an amount sufficient to cover the costs incurred by the comptroller in administering this subchapter.