

BILL ANALYSIS

C.S.S.B. 294
By: Hinojosa
Transportation
Committee Report (Substituted)

BACKGROUND AND PURPOSE

During the 80th Legislature, Regular Session, 2007, H.B. 3437 authorized Hidalgo and Cameron Counties to collect up to \$10 for each vehicle registered in the counties to fund long-term transportation projects in the counties. As transportation funds are becoming more scarce, it has become crucial for local governments such as counties to have authority to implement innovative financing techniques for short-term and long-term transportation projects.

C.S.S.B. 294 authorizes counties across Texas to increase by \$5 the maximum collectible amount for the optional road and bridge fee, currently capped at \$10, and also increases to \$50 the maximum collectible amount for the optional county fee for transportation projects that certain counties are authorized to collect. Monies from this fee could be allocated to the county's regional mobility authority, a metropolitan planning organization, or any other transportation governmental entity designated by the Texas Department of Transportation under the bill's provisions.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.S.B. 294 amends the Transportation Code to increase, from an amount not to exceed \$10 to an amount not to exceed \$15, the additional fee for a road and bridge fund that the commissioners court of a county is authorized to impose for registering a vehicle in the county.

C.S.S.B. 294 amends provisions that apply only to a county that borders the United Mexican States, that has a population of more than 150,000, rather than 300,000, in which the largest municipality has a population of less than 300,000, and that does not border the Gulf of Mexico. The bill increases, from an amount not to exceed \$10 to an amount not to exceed \$50, the additional fee that the commissioners court of such a county is authorized by order to impose for registering a vehicle in the county. The bill provides that the fee is not required to be annually reauthorized and remains in effect until removed as provided by law. The bill prohibits the fee from being removed if revenue from the fee has been pledged or assigned to secure the payment of bonds or other obligations until the bonds or other obligations have been paid or discharged.

C.S.S.B. 294 requires the county to deposit the fee revenue in a special account in the county general fund, rather than send the fee revenue to the regional mobility authority of the county. The bill authorizes money in the account to be used only to contract with the following: the regional mobility authority of the county to promote and maintain a public purpose of the county that involves funding long-term transportation projects in the county; a transportation governmental entity designated by the Texas Department of Transportation (TxDOT) under provisions of the bill to promote and maintain a county purpose that involves funding long-term transportation projects in the county; or a public or private entity developing a long-term

transportation project in the county under an agreement with the county, the regional mobility authority of the county, or a transportation governmental entity designated by TxDOT to promote and maintain a public purpose of the county. The bill authorizes the fee revenue to be pledged or assigned by the county, the regional mobility authority of the county, or the transportation governmental entity to secure the payment of bonds or other obligations associated with the development of long-term transportation projects in the county. The bill makes a conforming change relating to fee revenue collected by TxDOT. The bill prohibits the total amount of fees imposed by the commissioners court of a county under provisions for an optional county fee for transportation projects and for a road and bridge fund from exceeding \$65.

C.S.S.B. 294 provides that if S.B. 855, Acts of the 81st Legislature, Regular Session, 2009, or other similar legislation providing for or authorizing the imposition of a county, municipal, or other local vehicle registration fee for transportation or mobility projects is enacted by the legislature and becomes law, regardless of the relative dates of enactment, then the total amount of fees imposed under provisions for an optional county fee for transportation projects and under S.B. 855 or other similar legislation may not exceed \$60. The bill provides that if S.B. 855 or other similar legislation does not become law, this provision expires January 1, 2011.

EFFECTIVE DATE

On passage, or, if the act does not receive the necessary vote, the act takes effect September 1, 2009.

COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.S.B. 294 adds a provision not in the original to add as a criterion that must be met for a county to be included under the law authorizing an optional county fee for transportation projects that the county does not border the Gulf of Mexico. The substitute removes provisions in the original making the optional fee applicable to counties meeting other criteria relating to population, location, electoral history, service by a regional mobility authority, and service by a metropolitan planning organization, and makes conforming changes. The substitute removes a provision in the original limiting to \$10 the fee imposed by the commissioners court of certain counties.