

By: Carona

S.B. No. 293

A BILL TO BE ENTITLED

1

AN ACT

2 relating to the pledge of certain revenue of a regional
3 transportation authority to the payment of bonds.

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

5 SECTION 1. Section 452.357(a), Transportation Code, is
6 amended to read as follows:

7 (a) To secure the payment of an authority's bonds, the
8 authority may:

9 (1) pledge all or part of revenue realized from any tax
10 that the authority may impose;

11 (2) pledge any part of the revenue of the public
12 transportation system;

13 (3) mortgage any part of the public transportation
14 system, including any part of the system subsequently acquired;
15 ~~and~~

16 (4) pledge all or part of funds the federal government
17 has committed to the authority as grants in aid; and

18 (5) provide that a pledge of revenue described by
19 Subdivision (1) or (2) is a first lien or charge against that
20 revenue.

21 SECTION 2. Section 452.358, Transportation Code, is amended
22 to read as follows:

23 Sec. 452.358. USE [PLEDGE] OF REVENUE [LIMITED]. (a)
24 Revenue in excess of amounts pledged under Section 452.357(a)(1) or

1 (2) shall be used to:

2 (1) pay the ~~[The]~~ expenses of operation and
3 maintenance of a public transportation system, including salaries,
4 labor, materials, and repairs necessary to provide efficient
5 service and every other proper item of expense; and

6 (2) fund operating reserves ~~[, are a first lien and~~
7 ~~charge against any revenue of a public transportation system that~~
8 ~~is encumbered under this chapter].~~

9 (b) Revenue not needed to pay or fund an item under
10 Subsection (a) shall be used to prepay bonds or other obligations of
11 the authority.

12 SECTION 3. This Act takes effect immediately if it receives
13 a vote of two-thirds of all the members elected to each house, as
14 provided by Section 39, Article III, Texas Constitution. If this
15 Act does not receive the vote necessary for immediate effect, this
16 Act takes effect September 1, 2009.