

1-1 By: Carona S.B. No. 855
1-2 (In the Senate - Filed February 16, 2009; March 9, 2009, read
1-3 first time and referred to Committee on Transportation and Homeland
1-4 Security; April 2, 2009, reported adversely, with favorable
1-5 Committee Substitute by the following vote: Yeas 7, Nays 2;
1-6 April 2, 2009, sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR S.B. No. 855 By: Carona

1-8 A BILL TO BE ENTITLED
1-9 AN ACT

1-10 relating to local options regarding mobility improvement projects
1-11 in certain counties and municipalities; providing authority to
1-12 impose a tax, issue bonds, and impose penalties.

1-13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-14 SECTION 1. Subtitle B, Title 14, Local Government Code, is
1-15 amended by adding Chapter 446 to read as follows:

1-16 CHAPTER 446. LOCAL OPTIONS FOR TRANSPORTATION PROJECTS

1-17 SUBCHAPTER A. GENERAL PROVISIONS

1-18 Sec. 446.001. SHORT TITLE. This chapter may be cited as the
1-19 Texas Local Option Transportation Act.

1-20 Sec. 446.002. DEFINITIONS. In this chapter:

1-21 (1) "Dealer," "diesel fuel," "gasoline," "motor
1-22 fuel," "motor vehicle," "public highway," and "sale" have the
1-23 meanings assigned by Section 162.001, Tax Code.

1-24 (2) "Department" means the Texas Department of
1-25 Transportation.

1-26 (3) "Intermodal hub" and "transit system" have the
1-27 meanings assigned by Section 370.003, Transportation Code.

1-28 (4) "Metropolitan planning organization" has the
1-29 meaning assigned by Section 472.031, Transportation Code.

1-30 (5) "Mobility improvement project" means a capital
1-31 improvement or set of related capital improvements within a
1-32 geographic area, including maintenance and operation of such
1-33 improvements, that is designed to relieve traffic congestion,
1-34 increase mobility and the movement of traffic or individuals,
1-35 expand transportation capacity, promote traffic or pedestrian
1-36 safety, or improve air quality, including passenger rail systems
1-37 and related infrastructure; freight rail systems; transit systems;
1-38 intermodal hubs; pedestrian facilities; streets, roadways,
1-39 highways, and additional roadway or highway lanes, including
1-40 turning lanes and managed or high occupancy vehicle lanes; and
1-41 bridges, tunnels, interchanges, overpasses and underpasses,
1-42 service roads, ramps, entrance plazas, parking areas or structures,
1-43 and traffic signal systems.

1-44 (6) "Transit authority" or "transportation authority"
1-45 means an authority operating under Chapter 370, 451, 452, or 460,
1-46 Transportation Code.

1-47 Sec. 446.003. REDUCTION PROHIBITED. (a) A county,
1-48 municipality, or metropolitan planning organization may not be
1-49 penalized with a reduction in state or federal transportation
1-50 funding, including funding from the state highway fund, the Texas
1-51 mobility fund, the Texas highway beautification fund, general
1-52 obligation bonds, or any other method of state or federal
1-53 transportation financing, because of the imposition of a method of
1-54 local option funding under this chapter.

1-55 (b) The department may not reduce any allocation of state or
1-56 federal transportation funding to a department district because the
1-57 district contains a county that imposes a method of local option
1-58 funding under this chapter.

1-59 (c) A county, municipality, or other entity funding
1-60 transportation in a county may not reduce traditional
1-61 transportation funding because the county imposes a method of local
1-62 option funding under this chapter.

1-63 Sec. 446.004. APPLICABILITY OF PROVISIONS. The provisions

2-1 of this subchapter and Subchapter B only apply to a county to which
 2-2 another subchapter of this chapter applies.

2-3 Sec. 446.005. RESTRICTIONS ON LOBBYING. A county that
 2-4 imposes a method of local option funding under this chapter may not
 2-5 use the funds to pay a person or entity that is required to register
 2-6 with the Texas Ethics Commission under Chapter 305, Government
 2-7 Code.

2-8 Sec. 446.006. LIBERAL CONSTRUCTION. This chapter shall be
 2-9 liberally construed to effect its purposes.

2-10 Sec. 446.007. EXPIRATION OF CHAPTER. (a) This chapter
 2-11 expires January 1, 2019. The expiration of this chapter precludes
 2-12 the holding of elections and the imposition of any method of local
 2-13 option funding not authorized under this chapter before its
 2-14 expiration.

2-15 (b) The expiration of this chapter does not affect:

2-16 (1) the enforcement of bonds, obligations, covenants,
 2-17 or other legal instrument issued or executed under this chapter
 2-18 before its expiration;

2-19 (2) the continued imposition and collection of any
 2-20 fees or methods of local option funding authorized at an election
 2-21 held under this chapter before its expiration;

2-22 (3) the performance of any mobility improvement
 2-23 project, including maintenance and operation of a project; or

2-24 (4) the administration of a local option
 2-25 transportation fund established under Section 446.110 or a similar
 2-26 fund created by a county for money raised by a method of local
 2-27 option funding under this chapter.

2-28 [Sections 446.008-446.050 reserved for expansion]

2-29 SUBCHAPTER B. LOCAL OPTION FUNDING

2-30 Sec. 446.051. METHODS OF LOCAL OPTION FUNDING. (a) A
 2-31 county may include on a ballot proposition under this chapter any
 2-32 combination of the following methods of local option funding:

2-33 (1) a tax on the retail sale of gasoline or diesel fuel
 2-34 in the county as described by Section 446.055;

2-35 (2) a mobility improvement fee, in an amount not less
 2-36 than \$1 or more than \$60, imposed on a person registering a motor
 2-37 vehicle in the county at the time of registration, except that the
 2-38 fee is not imposed on a person registering a motor vehicle in the
 2-39 manner provided by Section 501.0234, Transportation Code;

2-40 (3) a parking management fee, in an amount not to
 2-41 exceed \$2 per day per vehicle use of a parking space, for paid
 2-42 parking facilities owned by the county or a municipality in the
 2-43 county that are available to the general public, excluding metered
 2-44 parking and parking at an international airport located partially
 2-45 in two separate counties each with a population above one million;

2-46 (4) an annual motor vehicle emissions fee on vehicles
 2-47 registered in the county as described by Section 446.056;

2-48 (5) a fee for the renewal of a driver's license issued
 2-49 to a county resident as described by Section 446.057; and

2-50 (6) a Texas new resident roadway impact fee, in an
 2-51 amount not less than \$1 or more than \$250, imposed on each person
 2-52 registering a motor vehicle previously registered in another state
 2-53 or country, to be collected at the time of registration.

2-54 (b) The mobility improvement fee authorized by Subsection
 2-55 (a)(2) and the Texas new resident roadway impact fee authorized by
 2-56 Subsection (a)(6) are not automobile registration fees and may not
 2-57 be construed as automobile registration fees for any legal or
 2-58 constitutional purpose.

2-59 (c) Chapter 395 does not apply to the Texas new resident
 2-60 roadway impact fee authorized by Subsection (a)(6).

2-61 (d) Except as otherwise provided by this subchapter, a
 2-62 county shall adopt rules and prescribe forms for the collection of a
 2-63 tax or fee authorized by this section. A person required to collect
 2-64 a tax or fee authorized by this section shall report and send the
 2-65 tax or fee to the county as provided by the county.

2-66 (e) A county imposing a tax or fee under this section may
 2-67 prescribe monetary penalties, including interest charges, for
 2-68 failure to keep records required by rules adopted under this
 2-69 section, failure to report when required, or failure to pay the tax

3-1 when due.

3-2 (f) A county attorney, criminal district attorney, or
 3-3 district attorney may bring suit against a person to enforce the
 3-4 provisions of this section.

3-5 Sec. 446.052. COUNTY AUTHORITY TO IMPOSE METHOD OF FUNDING.

3-6 (a) A county may impose and collect a method of local option
 3-7 funding approved by a majority of the voters of the county voting at
 3-8 an election held under this chapter and may enter into a contract or
 3-9 interlocal agreement as provided by Section 446.058 to implement
 3-10 the imposition or collection.

3-11 (b) A method of local option funding implemented under this
 3-12 chapter:

3-13 (1) may not be used to raise funds in excess of the
 3-14 amount required to fund approved mobility improvement projects; and

3-15 (2) must expire when the approved mobility improvement
 3-16 projects are accepted by the governmental entity that contracted
 3-17 for the projects or when the bonds are paid off, whichever is later,
 3-18 unless continued funding for maintenance and operation of a
 3-19 project, including the impact to an existing system as specified by
 3-20 an interlocal agreement, was authorized at an election held under
 3-21 this chapter.

3-22 Sec. 446.053. LOW-INCOME RELIEF. (a) For each method of
 3-23 local option funding implemented by a county under this chapter,
 3-24 except a motor fuel tax or parking management fee, the county
 3-25 commissioners court shall, by an order issued before January 10,
 3-26 2010, establish an exemption, waiver, or partial reduction for
 3-27 individuals of low or moderate income who demonstrate significant
 3-28 financial hardship, based on income guidelines adopted by the Texas
 3-29 Commission on Environmental Quality under Section 382.210, Health
 3-30 and Safety Code. Before issuing an order under this section, the
 3-31 commissioners court must hold a public hearing regarding the
 3-32 proposed exemption, waiver, or partial reduction.

3-33 (b) The commissioners court shall qualify for the
 3-34 exemption, waiver, or partial reduction established under this
 3-35 section any person who is eligible to participate in the income
 3-36 vehicle repair assistance, retrofit, and accelerated vehicle
 3-37 retirement program authorized under Chapter 382, Health and Safety
 3-38 Code.

3-39 Sec. 446.054. IMPOSITION OF METHOD OF LOCAL OPTION FUNDING.

3-40 (a) If a majority of the votes cast in an election held in a county
 3-41 under this chapter approve any method or combination of methods of
 3-42 local option funding, the commissioners court of the county by
 3-43 order shall, except in regard to a motor fuel tax, impose and begin
 3-44 the collection of the approved method or methods of funding before
 3-45 the 91st day after the election date.

3-46 (b) At a minimum, the order imposing the method or methods
 3-47 of local option funding must specify:

3-48 (1) the rate or amount of the method or methods
 3-49 approved at the election; and

3-50 (2) the manner in which each method will be
 3-51 administered, collected, and enforced.

3-52 (c) Sections 502.102, 502.1025, and 502.108, Transportation
 3-53 Code, do not apply to money collected under this chapter.

3-54 Sec. 446.055. IMPOSITION OF COUNTY MOTOR FUEL TAX. (a) A
 3-55 county to which this chapter applies may, if approved in accordance
 3-56 with other provisions of this chapter, impose a tax at a rate of 2,
 3-57 4, 6, 8, or 10 cents per gallon on the retail sale of gasoline or
 3-58 diesel fuel that is sold in the county by a person, including a
 3-59 dealer, engaged in the business of making retail sales of taxable
 3-60 motor fuel and that is used to propel a motor vehicle on the public
 3-61 highways of this state. The tax is added to the selling price of the
 3-62 gasoline or diesel fuel and is a part of the gasoline or diesel fuel
 3-63 price, is a debt owed to the seller, and is recoverable at law in the
 3-64 same manner as the fuel charge for gasoline or diesel fuel.

3-65 (b) The tax authorized by this section is in addition to the
 3-66 tax imposed by Chapter 162, Tax Code.

3-67 (c) Except as provided by Subsection (d), the tax authorized
 3-68 by this section takes effect on the first day of the first calendar
 3-69 quarter following the expiration of the first complete quarter

4-1 occurring after the date of election authorizing the order imposing
4-2 the tax under Section 446.054.

4-3 (d) If the county determines that the time of effect
4-4 required by Subsection (c) will occur before the county can
4-5 reasonably take the action required to begin collecting the tax or
4-6 to implement an increase, decrease, or abolition of the tax, the
4-7 county may delay the time of effect until the first day of the first
4-8 calendar quarter following the date on which the county by official
4-9 action declares that it is ready to begin collecting the tax.

4-10 (e) A county motor fuel tax imposed under this section is
4-11 due and payable to the county on or before the 20th day of the month
4-12 following the end of each calendar month.

4-13 (f) The comptroller shall adopt rules and prescribe forms
4-14 for the collection of the county motor fuel tax imposed under this
4-15 section. A person required to collect the tax imposed under this
4-16 section, including a dealer, shall report and send the taxes to the
4-17 county as provided by the county using forms prescribed by the
4-18 comptroller. A county may not require any additional information
4-19 beyond that required by the forms prescribed by the comptroller.

4-20 (g) A county imposing a tax under this section may:

4-21 (1) require a dealer or other person required to
4-22 collect the tax to obtain a permit from the county;

4-23 (2) prescribe monetary penalties, including interest
4-24 charges, for failure to keep records required by rules adopted
4-25 under this section, failure to report when required, or failure to
4-26 pay the tax when due; and

4-27 (3) permit a dealer or other person who is required to
4-28 collect the tax and who remains in compliance with all tax payment
4-29 and report filing requirements to retain a percentage of the tax as
4-30 reimbursement to the person for the costs of collecting the tax.

4-31 (h) A county attorney, criminal district attorney, or
4-32 district attorney may bring suit against a person who violates this
4-33 section.

4-34 (i) A tax imposed under this section does not apply to motor
4-35 fuel exempted under Section 162.104 or 162.204, Tax Code. A person
4-36 who has paid a tax imposed under this section on gasoline or diesel
4-37 fuel used by the person for a purpose other than to propel a motor
4-38 vehicle on the public highways of this state or used for an exempt
4-39 purpose may file a claim for a refund. The county shall prescribe
4-40 the procedures a person must use to obtain a refund under this
4-41 section.

4-42 (j) To the extent of any conflict between this section and
4-43 Chapter 162, Tax Code, Chapter 162 controls.

4-44 Sec. 446.056. IMPOSITION OF ANNUAL MOTOR VEHICLE EMISSIONS
4-45 FEE. (a) A county to which this chapter applies may, if approved
4-46 in accordance with other provisions of this chapter, impose on the
4-47 owner of a vehicle registered in the county an annual motor vehicle
4-48 emissions fee in an amount not less than \$1 or more than \$15,
4-49 assessed at the time of a required emissions test administered
4-50 under the program described by 30 T.A.C. Section 114.50.

4-51 (b) Each emissions inspection station required to conduct
4-52 an emissions test in accordance with 30 T.A.C. Section
4-53 114.50(a)(1)(A) or (B) shall collect the fee from the owner of any
4-54 vehicle registered in a county imposing a fee described by
4-55 Subsection (a) and shall remit the fee to that county.

4-56 Sec. 446.057. IMPOSITION OF COUNTY DRIVER'S LICENSE FEE.
4-57 (a) In this section, "driver's license" and "license" have the
4-58 meanings assigned by Section 521.001, Transportation Code.

4-59 (b) A county to which this chapter applies may, if approved
4-60 in accordance with other provisions of this chapter, impose a fee on
4-61 the renewal by a county resident of a license under Chapter 521,
4-62 Transportation Code, in an amount not less than \$1 or more than the
4-63 license renewal fee under Section 521.421, Transportation Code. A
4-64 fee imposed under this section is in addition to the fee imposed
4-65 under Section 521.421, Transportation Code.

4-66 (c) A fee imposed by a county under this section shall be
4-67 collected by the Department of Public Safety and deposited in trust
4-68 in the separate suspense account of the county from which the fees
4-69 were collected for allocation to the county as provided by this

5-1 section.

5-2 (d) Each month, the comptroller shall send to the county
 5-3 treasurer or to the person who performs the office of the county
 5-4 treasurer the county's share of the fees payable to a municipality
 5-5 within the county collected by the Department of Public Safety
 5-6 under this section.

5-7 (e) The comptroller may retain in the suspense account of a
 5-8 county a portion of the municipality's share of the fees collected
 5-9 for the municipality under this section, not to exceed two percent
 5-10 of the amount remitted to the county. If the county has abolished
 5-11 the fee, the amount that may be retained may not exceed two percent
 5-12 of the final remittance to the county at the time of the termination
 5-13 of the collection of the fee.

5-14 (f) From the amounts retained in a county's suspense
 5-15 account, the comptroller may redeem dishonored checks and drafts
 5-16 deposited to the credit of the account.

5-17 (g) Before the expiration of one year after the effective
 5-18 date of the abolition of a county driver's license fee imposed under
 5-19 this section, the comptroller shall send to the county the
 5-20 remainder of the money in the county's suspense account and shall
 5-21 close the account.

5-22 (h) Interest earned on all deposits made under this section,
 5-23 including interest earned from retained suspense accounts, shall be
 5-24 credited to the county's trust account and allocated to the county
 5-25 as described by this section.

5-26 Sec. 446.058. INTERLOCAL CONTRACTING AUTHORITY. (a) A
 5-27 political subdivision may contract or agree with another political
 5-28 subdivision to perform governmental functions and services in
 5-29 accordance with this chapter.

5-30 (b) A party to an interlocal contract may contract with an
 5-31 agency, as that term is defined by Section 771.002, Government
 5-32 Code.

5-33 (c) In this section, "interlocal contract" has the meaning
 5-34 assigned by Section 791.003, Government Code.

5-35 Sec. 446.059. ANNUAL REPORT AND AUDIT. (a) On or before
 5-36 the 90th day following the end of the fiscal year of a county that
 5-37 imposes a method of local option funding under this chapter, the
 5-38 county commissioners court must submit a report to the executive
 5-39 director of the department and to the state auditor. The report
 5-40 must include:

5-41 (1) the amount and source of local option revenue
 5-42 collected in the county;

5-43 (2) the amount and purpose of expenditures related to
 5-44 mobility improvement projects; and

5-45 (3) a description of the progress made toward
 5-46 completion of mobility improvement projects.

5-47 (b) The county must publish the report required under
 5-48 Subsection (a) on the county's Internet website at the time the
 5-49 report is submitted to the department.

5-50 (c) Based on a risk assessment process in accordance with
 5-51 Chapter 321, Government Code, the financial transactions of a
 5-52 county regarding methods of local option funding implemented under
 5-53 this chapter and related mobility improvement projects are subject
 5-54 to audit by the state auditor. A county audited under this
 5-55 subsection shall reimburse the state auditor for the expense of the
 5-56 audit.

5-57 [Sections 446.060-446.100 reserved for expansion]

5-58 SUBCHAPTER C. NORTH TEXAS REGION

5-59 Sec. 446.101. APPLICABILITY OF SUBCHAPTER. This subchapter
 5-60 applies only to a county that is located in a region served by a
 5-61 metropolitan planning organization that serves two adjacent
 5-62 counties that each have a population of one million or more.

5-63 Sec. 446.102. PROJECT SELECTION AND BALLOT COMMITTEES.

5-64 (a) Not later than October 1, 2009, the county commissioners of
 5-65 each county to which this subchapter applies shall jointly
 5-66 establish with the municipalities in the county a project selection
 5-67 and ballot committee to prepare a ballot proposition and related
 5-68 plans and information as required under this chapter. A county's
 5-69 project selection and ballot committee must be established before

6-1 any local option election under this subchapter may be held in the
 6-2 county. If a county commissioners court does not wish to initiate
 6-3 the election process in the county, it shall, by an order issued not
 6-4 later than October 1, 2009, decline to establish a project
 6-5 selection and ballot committee.

6-6 (b) If a county commissioners court declines to establish a
 6-7 project selection and ballot committee for the county, the
 6-8 governing bodies of two or more cities that contain at least 60
 6-9 percent of the county's total population may, by a joint resolution
 6-10 passed not later than November 1, 2009, establish a joint project
 6-11 selection and ballot committee.

6-12 Sec. 446.103. COMMITTEE MEMBERSHIP. (a) Except as
 6-13 provided by Subsection (a-1), in a county with a population greater
 6-14 than 400,000, the project selection and ballot committee is
 6-15 composed of 11 members as follows:

6-16 (1) two members who are elected county officials,
 6-17 appointed by the county commissioners court;

6-18 (2) one member who is a member of the governing body of
 6-19 a municipality not otherwise entitled to a seat under Subdivision
 6-20 (4) or (5) with a population of 25,000 or less located in the
 6-21 county, appointed by the county commissioners court;

6-22 (3) one member who is a member of the governing body of
 6-23 a municipality not otherwise entitled to a seat under Subdivision
 6-24 (4) or (5) with a population greater than 25,000 but less than
 6-25 95,000 located in the county, appointed by the county commissioners
 6-26 court;

6-27 (4) two members who are elected officials of the most
 6-28 populous municipality located in the county, appointed by the
 6-29 governing body of the municipality;

6-30 (5) four members who are elected officials of the next
 6-31 four most populous municipalities located in the county, one each
 6-32 appointed by the governing body of each municipality; and

6-33 (6) one member who is a member of the governing board
 6-34 of the transit or transportation authority with the largest service
 6-35 area in the county, appointed by the governing body of the
 6-36 authority.

6-37 (a-1) In a county with a population greater than 400,000, if
 6-38 the most populous municipality located in the county contains 45
 6-39 percent or more of the county population, the county's project
 6-40 selection and ballot committee is composed of 11 members as
 6-41 follows:

6-42 (1) two members who are elected county officials,
 6-43 appointed by the county commissioners court;

6-44 (2) one member who is a member of the governing body of
 6-45 a municipality not otherwise entitled to a seat under Subdivision
 6-46 (4) or (5) with a population of 25,000 or less located in the
 6-47 county, appointed by the county commissioners court;

6-48 (3) one member who is a member of the governing body of
 6-49 a municipality not otherwise entitled to a seat under Subdivision
 6-50 (4) or (5) with a population greater than 25,000 but less than
 6-51 95,000 located in the county, appointed by the county commissioners
 6-52 court;

6-53 (4) three members who are elected officials of the
 6-54 most populous municipality located in the county, appointed by the
 6-55 governing body of the municipality;

6-56 (5) three members who are elected officials of the
 6-57 next three most populous municipalities located in the county, one
 6-58 each appointed by the governing body of each municipality; and

6-59 (6) one member who is a member of the governing board
 6-60 of the transit or transportation authority with the largest service
 6-61 area in the county, appointed by the governing body of the
 6-62 authority.

6-63 (b) In a county with a population of 400,000 or less, the
 6-64 project selection and ballot committee is composed of nine members
 6-65 as follows:

6-66 (1) two members who are elected county officials,
 6-67 appointed by the county commissioners court;

6-68 (2) two members who are elected officials of the most
 6-69 populous municipality located in the county, appointed by the

7-1 governing body of the municipality;
7-2 (3) four members who are elected officials of the next
7-3 four most populous municipalities located in the county, one each
7-4 appointed by the governing body of each municipality; and
7-5 (4) one member:
7-6 (A) who is a member of the governing board of a
7-7 transit or transportation authority operating in the county,
7-8 appointed by the governing body of the authority; or
7-9 (B) if no transit or transportation authority
7-10 operates in the county, who is an elected official of the sixth most
7-11 populous municipality in the county, appointed by the governing
7-12 body of the municipality.
7-13 (c) If a county commissioners court fails to make a
7-14 committee appointment as provided under Subsection (a)(1),
7-15 (a-1)(1), or (b)(1) by the required date, the open seat shall remain
7-16 unfilled. If a county commissioners court fails to make a committee
7-17 appointment as provided under Subsection (a)(2) or (3) or
7-18 Subsection (a-1)(2) or (3) by the required date, the open seat shall
7-19 be filled by appointment made by the governing body of the largest
7-20 municipality in the county. In the case of an open seat provided
7-21 for by Subsection (a)(2) or (a-1)(2) the seat shall be filled from
7-22 among the members of the governing body of a municipality with a
7-23 population of 25,000 or less located in the county. In the case of
7-24 an open seat provided for by Subsection (a)(3) or (a-1)(3) the seat
7-25 shall be filled from among the members of the governing body of a
7-26 municipality with a population greater than 25,000 but less than
7-27 95,000 located in the county.
7-28 (d) Only the portion of a municipality's population that is
7-29 located within the county may be used to determine municipal
7-30 population for the purposes of Subsections (a)(5), (a-1)(5),
7-31 (b)(3), and (b)(4)(B). For the purposes of this subsection,
7-32 municipal population is based on the most recent estimate published
7-33 by the metropolitan planning organization of the region.
7-34 (e) A vacancy in a committee shall be filled by appointment
7-35 by the entity that appointed the vacating member.
7-36 (f) A committee member is not entitled to compensation for
7-37 servicing on the committee but is entitled to reimbursement for
7-38 actual and necessary expenses incurred in performing the official
7-39 duties of office.
7-40 (g) Appointments to a committee shall be made without regard
7-41 to the race, color, disability, sex, religion, age, or national
7-42 origin of the appointees.
7-43 (h) A committee must elect a chair from among its members
7-44 and may adopt rules for the conduct of its activities.
7-45 (i) At the discretion of the committee, employees of the
7-46 department, the county, or a municipality, regional metropolitan
7-47 planning organization, airport, or transit or transportation
7-48 authority located in the county may be asked to provide staff
7-49 support services to a committee.
7-50 (j) All meetings of a committee are open meetings. Notice
7-51 of committee meetings must be provided in accordance with Sections
7-52 551.041, 551.0411, 551.042, 551.043, and 551.049, Government Code,
7-53 as if the committee were a governmental body under that chapter.
7-54 (k) A project selection and ballot committee established
7-55 under this subchapter is abolished, and all the duties of the
7-56 committee expire, on the date the committee submits a final
7-57 recommended ballot under Section 446.106.
7-58 Sec. 446.104. SELECTION OF PROJECTS AND METHODS OF LOCAL
7-59 OPTION FUNDING. (a) A project selection and ballot committee, by
7-60 supermajority vote of not less than two-thirds of its membership,
7-61 shall:
7-62 (1) determine and propose each mobility improvement
7-63 project located in the county or benefiting the county;
7-64 (2) determine and propose one or more methods of local
7-65 option funding authorized by this chapter sufficient to fund each
7-66 mobility improvement project; and
7-67 (3) determine and propose an appropriate rate for each
7-68 proposed method of local option funding for the construction of
7-69 each mobility improvement project and a separate proposed rate for

8-1 each project's continued maintenance and operation, if applicable.

8-2 (b) A committee may propose, and money raised by a method of
 8-3 local option funding under this chapter may finance, the
 8-4 construction of new mobility improvement projects and related
 8-5 maintenance and operations, the expansion, reconstruction, or
 8-6 rehabilitation of existing mobility improvement projects, and
 8-7 improvements in the maintenance and operation of existing mobility
 8-8 improvement projects. A committee may only propose construction of
 8-9 a new mobility improvement project that the committee determines is
 8-10 consistent with the transportation plan adopted by the metropolitan
 8-11 planning organization for the region in which the county is
 8-12 located. A committee shall consider passenger rail corridors in
 8-13 selecting projects to be included on a ballot.

8-14 (c) A committee may propose a mobility improvement project
 8-15 located outside the county, including a project serving a regional
 8-16 airport, only if the committee determines that the project benefits
 8-17 the county.

8-18 (d) Before a committee may make the determinations required
 8-19 by Subsections (a)-(c), the committee must:

8-20 (1) conduct at least three public hearings regarding
 8-21 the proposed mobility improvement projects and proposed methods of
 8-22 local option funding; and

8-23 (2) use its best efforts to meet with all affected
 8-24 parties, including workforce populations served by passenger rail
 8-25 systems and affected neighborhood groups.

8-26 Sec. 446.105. COMMITTEE COMMITMENT TO EQUITY. (a) A
 8-27 committee must use its best efforts to ensure that mobility
 8-28 improvement projects selected for inclusion on a ballot under this
 8-29 subchapter benefit each municipality and unincorporated area in the
 8-30 county in approximate proportion to the amount of revenue generated
 8-31 within each of the municipalities and unincorporated areas.

8-32 (b) Revenue from a method of local option funding imposed
 8-33 under this subchapter and collected within the taxing jurisdiction
 8-34 of a transit or transportation authority that is funded through a
 8-35 dedicated sales tax must be maintained in a segregated account and
 8-36 may not be used outside the taxing jurisdiction of the authority
 8-37 unless the governing body of the authority and the governing bodies
 8-38 of all municipalities in the county that are within the authority's
 8-39 jurisdiction consent to such use.

8-40 Sec. 446.106. FINAL RECOMMENDED BALLOT. Not later than
 8-41 April 1, 2010, each project selection and ballot committee must
 8-42 submit to the appropriate county commissioners court:

8-43 (1) a detailed final list of mobility improvement
 8-44 projects and methods of local option funding, including proposed
 8-45 rates for construction and separate proposed rates for maintenance
 8-46 and operation, if applicable, determined by the committee under
 8-47 Section 446.104; and

8-48 (2) a final recommended ballot that complies with the
 8-49 requirements of Section 446.108.

8-50 Sec. 446.107. COUNTY OPTION TO CALL ELECTION; PETITION
 8-51 PROCESS. (a) On receiving a proposed ballot from a project
 8-52 selection and ballot committee under Section 446.106, the county
 8-53 commissioners court, after holding at least two public hearings
 8-54 regarding the ballot, may by majority vote at a regularly held
 8-55 public meeting of the commissioners court:

8-56 (1) order an election to be held on the uniform
 8-57 election date in November 2010 on the issue of authorizing the
 8-58 ballot; or

8-59 (2) reject the ballot.

8-60 (b) If, by June 1, 2010, a county commissioners court has
 8-61 not taken action under Subsection (a)(1) or (2) on a proposed ballot
 8-62 submitted to the commissioners court, the commissioners court must
 8-63 order an election to be held on the uniform election date in
 8-64 November 2010 on the issue of authorizing the ballot.

8-65 (c) If a county commissioners court rejects a proposed
 8-66 ballot under Subsection (a)(2), the commissioners court must
 8-67 nonetheless call an election to be held on the uniform election date
 8-68 in November 2010 on the issue of authorizing the ballot if before
 8-69 August 1, 2010, the commissioners court receives:

9-1 (1) a resolution requesting that the election be
9-2 called on the ballot as submitted by the project selection and
9-3 ballot committee that has been adopted by the governing bodies of at
9-4 least two municipalities that:
9-5 (A) are located partially or wholly in the
9-6 county; and
9-7 (B) contain at least 60 percent of the county's
9-8 total population; or
9-9 (2) a petition requesting that the election be called
9-10 on the ballot as submitted by the project selection and ballot
9-11 committee that is signed by a number of registered voters in the
9-12 county equal to at least 10 percent of the total number of votes
9-13 cast in the county for all candidates for governor in the most
9-14 recent gubernatorial general election.
9-15 (d) A county commissioners court may not amend in any way
9-16 the list of mobility improvement projects or methods of local
9-17 option funding contained in a proposed ballot submitted to the
9-18 commissioners court by a project selection and ballot committee.
9-19 (e) Before calling an election under this section, a county
9-20 commissioners court must publish a financial plan for each mobility
9-21 improvement project proposed to be included on a ballot.
9-22 Sec. 446.108. REQUIRED BALLOT LANGUAGE; ELECTION. (a) An
9-23 order under Section 446.107 calling an election must:
9-24 (1) specify each proposed method of local option
9-25 funding authorized by this chapter that the county intends to use to
9-26 fund each proposed mobility improvement project or portion thereof;
9-27 (2) for each specified method of funding, list the
9-28 proposed rate or amount to be used to fund capital construction of
9-29 mobility improvement projects and, if applicable, a separate and
9-30 corresponding proposed rate or amount for maintenance and operation
9-31 of the projects;
9-32 (3) list and generally describe the nature and scope
9-33 of the proposed mobility improvement projects to be constructed
9-34 with each specified method of local option funding; and
9-35 (4) list the estimated cost, or portion thereof, and
9-36 the estimated completion date for the capital construction of each
9-37 proposed mobility improvement project.
9-38 (b) The ballot at an election held under this subchapter
9-39 must be printed to permit voting for or against the proposition:
9-40 "Authorizing _____ (insert name of county) to undertake the
9-41 following mobility improvement projects funded by the following
9-42 sources of revenue in amounts and rates as shown: _____ (insert a
9-43 general and brief description of each mobility improvement project
9-44 proposed by the committee, an estimated total cost of each project,
9-45 a description of each method of funding proposed, including a rate
9-46 for capital construction and, if applicable, a separate rate for
9-47 maintenance and operation, the estimated date of expiration of any
9-48 bonds, and the estimated date the project will be operational to the
9-49 public)."
9-50 (c) The estimated cost of construction of a mobility
9-51 improvement project listed on a ballot is not a legally binding
9-52 restriction on the actual and ultimate cost of financing the
9-53 project.
9-54 (d) A ballot may not permit individual mobility improvement
9-55 projects or methods of local option funding to be voted on as
9-56 separate options. All mobility improvement projects and methods of
9-57 local option funding included on a ballot must be approved or
9-58 rejected as a group.
9-59 (e) In addition to other applicable ballot requirements, a
9-60 ballot proposed in a county primarily served by a transit authority
9-61 subject to Subchapter O, Chapter 452, Transportation Code, that
9-62 proposes to use funds collected within the jurisdiction of the
9-63 authority to finance the construction of a mobility improvement
9-64 project related to a rail project located outside of the
9-65 jurisdiction of the authority must specify, in regard to each such
9-66 proposed project:
9-67 (1) a general description of the proposed rail-related
9-68 project;
9-69 (2) a list of estimated costs of the proposed project,

10-1 including maintenance and operating costs;
 10-2 (3) an estimate of any increased cost of service
 10-3 within the jurisdiction of the authority resulting from the
 10-4 proposed project; and
 10-5 (4) a limit on the amount of revenue raised through
 10-6 local option funding under this chapter that may be spent on the
 10-7 project.
 10-8 (f) Section 334.025 applies to an election called under this
 10-9 subchapter.
 10-10 (g) An election called under Section 446.107 must be held on
 10-11 a uniform election date in November.
 10-12 Sec. 446.109. SUBSEQUENT ELECTIONS. (a) After initial
 10-13 mobility improvement projects and methods of local option funding
 10-14 are determined and an initial election is called in a county under
 10-15 Sections 446.104-446.108, the county commissioners court may
 10-16 jointly establish with the municipalities in the county a
 10-17 subsequent project selection and ballot committee to determine and
 10-18 propose additional projects and funding, and additional elections
 10-19 may be called, using the procedures described by this subchapter.
 10-20 (b) Notwithstanding Section 446.107, the commissioners
 10-21 court of a county may not call an election under that section before
 10-22 the second anniversary of an election previously called under that
 10-23 section.
 10-24 Sec. 446.110. LOCAL OPTION TRANSPORTATION FUND. (a) The
 10-25 county commissioners court of each county which implements a method
 10-26 of local option funding under this chapter shall, by order,
 10-27 establish a local option transportation fund separate and apart
 10-28 from the county's general fund account.
 10-29 (b) The county shall deposit in the fund the proceeds of any
 10-30 method of local option funding implemented by the county under this
 10-31 chapter and any other money required by law to be deposited in the
 10-32 fund.
 10-33 (c) The county shall establish segregated accounts in the
 10-34 fund:
 10-35 (1) for each approved mobility improvement project or
 10-36 portion thereof;
 10-37 (2) for money to fund maintenance and operation of
 10-38 passenger rail projects or transit projects; and
 10-39 (3) for funds collected in the jurisdiction of a
 10-40 transit or transportation authority that is funded through a
 10-41 dedicated sales tax and that operates under Subchapter O, Chapter
 10-42 452, or Chapter 460, Transportation Code.
 10-43 (d) Money in the fund, including any interest earned, is the
 10-44 property of the county depositing the money and may be spent only on
 10-45 mobility improvement projects located in the county.
 10-46 Sec. 446.111. USE OF MONEY IN FUND; ISSUANCE OF BONDS.
 10-47 (a) A county may use money in its local option transportation fund
 10-48 to:
 10-49 (1) reimburse or pay, without issuing bonds or other
 10-50 obligations or otherwise creating debt, the costs of planning,
 10-51 acquiring, establishing, developing, constructing, or renovating
 10-52 mobility improvement projects in the county that were approved at
 10-53 an election under this subchapter;
 10-54 (2) pay the principal of, interest on, or other costs
 10-55 relating to bonds or other obligations the county issues for the
 10-56 purpose of financing mobility improvement projects in the county
 10-57 that were approved at an election under this subchapter;
 10-58 (3) pay amounts due and owing to a transit or
 10-59 transportation authority under a contract or interlocal agreement
 10-60 between the county and the authority under which the authority
 10-61 agrees to provide, develop, construct, install, and operate
 10-62 passenger rail facilities and services inside and outside the
 10-63 county and to issue bonds and other obligations that are secured by
 10-64 and payable from the amounts due from the county under the contract
 10-65 or interlocal agreement for the purpose of financing the capital
 10-66 costs of the facilities, if a method of local option funding was
 10-67 approved for such purpose at an election under this subchapter;
 10-68 (4) pay amounts due and owing to a municipality under a
 10-69 contract or interlocal agreement between the county and the

11-1 municipality under which the municipality agrees to provide,
 11-2 develop, or construct mobility improvement projects located inside
 11-3 the municipality; and

11-4 (5) reimburse or pay the actual and customary costs of
 11-5 financial administration of the fund.

11-6 (b) A contract or interlocal agreement entered into between
 11-7 a county and a transit or transportation authority for the purposes
 11-8 described by Subsection (a)(3) may have such terms and provisions,
 11-9 and may impose and contain requirements, grants, and limitations,
 11-10 as the county and the transit or transportation authority may
 11-11 mutually agree, including the power of the transit or
 11-12 transportation authority to pledge as security for its bonds all
 11-13 amounts, less agreed costs of collection, deposited to the county's
 11-14 local option transportation fund, if such a pledge was approved at
 11-15 an election under this subchapter.

11-16 (c) Bonds or other obligations issued by a county under this
 11-17 section may be made payable from money in the county's local option
 11-18 transportation fund, subject to any limitations contained in a
 11-19 contract or interlocal agreement between the county and a transit
 11-20 or transportation authority, and from any other sources of revenue
 11-21 of the county that are lawfully available. Bonds or other
 11-22 obligations issued by a transit or transportation authority under a
 11-23 contract or interlocal agreement shall be payable from and secured
 11-24 by the money in the county's local option transportation fund and
 11-25 the revenue received from the operation of the passenger rail
 11-26 services financed by the bonds or other obligations and may not
 11-27 include any revenue the transit or transportation authority
 11-28 receives from a dedicated sales tax or the operation of any other
 11-29 passenger rail or bus system or related services.

11-30 (d) Bonds or other obligations issued by a county under this
 11-31 section or by a transit or transportation authority under a
 11-32 contract or interlocal agreement may mature serially or otherwise
 11-33 not more than 30 years after the date of issuance.

11-34 (e) Any bonds or other obligations issued by a county or by a
 11-35 transit or transportation authority under this section, and the
 11-36 proceedings authorizing the bonds or other obligations, must be
 11-37 submitted to the attorney general for review and approval under
 11-38 Chapter 1202, Government Code.

11-39 (f) A county, in expending money in its local option
 11-40 transportation fund, must comply with the provisions of Section
 11-41 446.105. A county may not:

11-42 (1) use money in the fund to finance the construction
 11-43 of a mobility improvement project not approved by the voters in an
 11-44 election under this subchapter; or

11-45 (2) use funds approved for a particular mobility
 11-46 improvement project to fund a different project.

11-47 Sec. 446.112. USE OF SALES TAX BY TRANSPORTATION AUTHORITY.
 11-48 A subregion of a transportation authority governed by a subregional
 11-49 board described by Subchapter O, Chapter 452, Transportation Code,
 11-50 may not use any proceeds from a sales and use tax imposed under that
 11-51 chapter, or any other revenue of the authority under that chapter,
 11-52 for a mobility improvement project under this subchapter without
 11-53 the favorable vote of four-fifths of the members of the subregional
 11-54 board.

11-55 Sec. 446.113. TRANSIT OR TRANSPORTATION AUTHORITY SERVICES
 11-56 NOT AUTHORIZED. (a) A county acting under this subchapter may not
 11-57 directly operate or provide passenger rail services or any service
 11-58 expressly reserved by a transit or transportation authority that
 11-59 serves the county.

11-60 (b) A method of local option funding implemented by a county
 11-61 under this subchapter may not be used to establish or fund services
 11-62 of a transit or transportation authority created on or after
 11-63 January 1, 2009.

11-64 (c) This subchapter does not authorize the creation of a
 11-65 transit or transportation authority.

11-66 [Sections 446.114-446.150 reserved for expansion]

11-67 SUBCHAPTER D. ALAMO REGION

11-68 Sec. 446.151. APPLICABILITY OF SUBCHAPTER. This subchapter
 11-69 applies only to a county for which an advanced transportation

12-1 district has been created under Subchapter O, Chapter 451,
12-2 Transportation Code, and:
12-3 (1) for which no contiguous county has a population of
12-4 more than 200,000; and
12-5 (2) in which the principal municipality has a
12-6 population of more than 1.1 million.
12-7 Sec. 446.152. IMPOSITION OF METHOD OF LOCAL OPTION FUNDING
12-8 BY VOTER APPROVAL. (a) A county to which this subchapter applies
12-9 may impose one or more methods of local option funding authorized by
12-10 this subchapter if:
12-11 (1) the county receives a resolution requesting that
12-12 an election be called on the issue of imposing one or more methods
12-13 of local option funding authorized by this subchapter that has been
12-14 adopted by the governing body of an advanced transportation
12-15 district, as defined by Subchapter O, Chapter 451, Transportation
12-16 Code, that is located wholly or partially in the county, or a
12-17 successor to such district;
12-18 (2) the county by order calls an election to be held in
12-19 the county for the purpose of approving the proposed methods of
12-20 funding; and
12-21 (3) the imposition of the proposed methods of funding
12-22 is approved by a majority of the voters of the county voting at the
12-23 election.
12-24 (b) The governing body of an advanced transportation
12-25 district described by Subsection (a)(1) may adopt a resolution
12-26 requesting an election be called under this section only after:
12-27 (1) consulting with:
12-28 (A) the entities described by Section 446.155(b)
12-29 located in the county;
12-30 (B) the metropolitan planning organization for
12-31 the region in which the county is located; and
12-32 (C) the oversight committee of the advanced
12-33 transportation district; and
12-34 (2) holding a public hearing regarding imposition of
12-35 the proposed methods of local option funding.
12-36 (c) A county may adopt an order calling an election under
12-37 this section only after holding a public hearing regarding
12-38 imposition of the proposed methods of local option funding.
12-39 Sec. 446.153. CONTENTS OF ORDER; BALLOT PROPOSITION.
12-40 (a) An order calling an election on the issue of imposing one or
12-41 more methods of local option funding authorized by this subchapter
12-42 must include the ballot proposition to be used in the election. The
12-43 ballot proposition must, at a minimum:
12-44 (1) designate each proposed method of funding;
12-45 (2) specify for each proposed method of funding:
12-46 (A) the rate of the tax or amount the fee to be
12-47 imposed, as applicable;
12-48 (B) the effective date of the imposition of the
12-49 method of funding; and
12-50 (C) the manner in which the method of funding
12-51 will be administered, collected, and enforced; and
12-52 (3) permit voters to vote for or against each proposed
12-53 method of funding separately.
12-54 (b) The ballot proposition may:
12-55 (1) specify one or more mobility improvement projects
12-56 to which revenue from a proposed method of local option funding will
12-57 be dedicated; and
12-58 (2) provide that a method of local option funding
12-59 approved at the election will expire on completion of the mobility
12-60 improvement projects to which the funding is dedicated.
12-61 Sec. 446.154. ABOLITION OF METHOD OF FUNDING; CHANGE IN
12-62 RATE OR AMOUNT; CHANGE IN DEDICATION. (a) With regard to methods
12-63 of local option funding previously approved at an election held
12-64 under this subchapter, a county commissioners court by order may
12-65 call an election on the issue of:
12-66 (1) abolishing the methods of local option funding;
12-67 (2) increasing or decreasing the maximum rate or
12-68 amount of the methods of local option funding; or
12-69 (3) changing the dedication of the methods of local

13-1 option funding.

13-2 (b) A county commissioners court shall call an election
 13-3 under Subsection (a) if the commissioners court receives a petition
 13-4 requesting that the election be called that is signed by a number of
 13-5 registered voters in the county equal to at least 10 percent of the
 13-6 total number of votes cast in the county for all candidates for
 13-7 governor in the most recent gubernatorial general election.

13-8 (c) Notwithstanding any other provision of this section, a
 13-9 county may abolish, decrease the rate of, or change the dedication
 13-10 of a method of local option funding only if the abolition, decrease,
 13-11 or change will not violate, impair, or be inconsistent with a bond
 13-12 resolution, trust agreement, or indenture governing the use of the
 13-13 revenue attributable to the method of funding.

13-14 Sec. 446.155. USE OF REVENUE; USE BY OTHER TRANSPORTATION
 13-15 ENTITY. (a) A county shall deposit money raised by a method of
 13-16 local option funding imposed under this subchapter in a special
 13-17 account in the county general fund. Subject to any applicable
 13-18 constitutional restriction, money in the account may be used only
 13-19 for county transportation purposes.

13-20 (b) A county may use money raised by a method of local option
 13-21 funding imposed under this subchapter to make payments due under a
 13-22 contract entered into between the county and another governmental
 13-23 entity for the construction, maintenance, or operation of mobility
 13-24 improvement projects, including contracts entered into with:

- 13-25 (1) a regional mobility authority;
 13-26 (2) a regional tollway authority;
 13-27 (3) an advanced transportation district;
 13-28 (4) a metropolitan rapid transit authority;
 13-29 (5) a regional transportation authority; and
 13-30 (6) any successor entity to an authority or district
 13-31 described by Subdivisions (1)-(5).

13-32 (c) A county may contract with another governmental entity
 13-33 under Subsection (b) only if the county finds that the primary
 13-34 purpose of the contract is to promote a public purpose of the
 13-35 county.

13-36 Sec. 446.156. AUTHORIZED METHODS OF LOCAL OPTION FUNDING.
 13-37 (a) Except as provided by Subsection (b)(2), Sections 446.051,
 13-38 446.054, 446.055, 446.056, and 446.057 do not apply to a county
 13-39 acting under this subchapter.

13-40 (b) A county to which this subchapter applies may include on
 13-41 a ballot proposition under this subchapter any combination of the
 13-42 following methods of local option funding:

- 13-43 (1) a county gasoline and diesel fuel tax as described
 13-44 by Section 446.157;
 13-45 (2) an additional vehicle registration fee as
 13-46 described by Section 446.158 and implemented in the manner
 13-47 described by Section 446.051(a)(2);
 13-48 (3) a road impact fee, not to exceed \$100, on each new
 13-49 resident of the county;
 13-50 (4) a non-resident commuter fee on residents who
 13-51 commute into the county; or
 13-52 (5) an additional motor vehicle inspection fee, not to
 13-53 exceed \$10, on each motor vehicle inspected in the county under
 13-54 Chapter 548, Transportation Code.

13-55 (c) Chapter 395 does not apply to the road impact fee
 13-56 authorized by Subsection (b)(3).

13-57 Sec. 446.157. COUNTY GASOLINE AND DIESEL FUEL TAX. (a) In
 13-58 this section:

- 13-59 (1) "Jobber" means a person who:
 13-60 (A) purchases tax-paid gasoline or diesel fuel
 13-61 from a person who holds a license under Chapter 162, Tax Code; and
 13-62 (B) makes a sale with the tax included to a person
 13-63 who maintains storage facilities for gasoline or diesel fuel and
 13-64 uses all or part of the stored gasoline or diesel fuel to operate a
 13-65 motor vehicle.

13-66 (2) "Net gallon" has the meaning assigned by Section
 13-67 162.001, Tax Code.

13-68 (b) A county to which this subchapter applies may, if
 13-69 approved in accordance with other provisions of this subchapter,

14-1 impose a tax on the sale of gasoline or diesel fuel sold in the
 14-2 county to propel a motor vehicle on the public highways of this
 14-3 state.

14-4 (c) The tax authorized by this section may be imposed at a
 14-5 rate of 2, 4, 6, 8, or 10 cents for each net gallon of gasoline or
 14-6 diesel fuel sold in the county to propel a motor vehicle on the
 14-7 public highways of this state.

14-8 (d) A person, including a dealer or jobber, who makes a sale
 14-9 of gasoline or diesel fuel in the county to a person who uses the
 14-10 gasoline or diesel fuel to propel a motor vehicle on the public
 14-11 highways of this state shall collect the tax authorized by this
 14-12 section for the benefit of the county. The seller shall add the
 14-13 amount of the tax to the selling price of gasoline or diesel fuel,
 14-14 and the tax is a part of the gasoline or diesel fuel price, is a debt
 14-15 owed to the seller, and is recoverable at law in the same manner as
 14-16 the fuel charge for gasoline or diesel fuel.

14-17 (e) The tax authorized by this section is in addition to the
 14-18 tax imposed by Chapter 162, Tax Code.

14-19 (f) The exemptions provided by Sections 162.104 and
 14-20 162.204, Tax Code, apply to the tax authorized by this section.

14-21 (g) A person, including a dealer or jobber, required to
 14-22 collect the tax authorized by this section shall report and send the
 14-23 taxes to the county as provided by the county.

14-24 (h) The county may prescribe monetary penalties, including
 14-25 interest charges, for failure to keep records required by this
 14-26 section, to report when required, or to pay the tax when due.

14-27 (i) The county may permit a person who is required to
 14-28 collect the tax authorized by this section to retain a percentage of
 14-29 the amount collected and required to be reported as reimbursement
 14-30 to the person for the costs of collecting the tax. The county may
 14-31 provide that the person may retain the amount only if the person
 14-32 pays the tax and files reports as required by the county.

14-33 (j) The county attorney may bring suit against a person who
 14-34 violates this section.

14-35 (k) A person who has paid the tax authorized by this section
 14-36 on gasoline or diesel fuel used by the person for a purpose other
 14-37 than to propel a motor vehicle on the public highways of this state
 14-38 or for a use exempted under Subsection (f) may file a claim for a
 14-39 refund.

14-40 (l) The county shall prescribe the procedures a person must
 14-41 use to obtain a refund under this section.

14-42 (m) The county may require a dealer, jobber, or other person
 14-43 required to collect, report, and pay the tax authorized by this
 14-44 section to obtain a permit from the county.

14-45 Sec. 446.158. ADDITIONAL VEHICLE REGISTRATION FEE. (a) A
 14-46 county to which this subchapter applies, if approved in accordance
 14-47 with other provisions of this subchapter, may impose an additional
 14-48 fee, not to exceed \$10, for registering a vehicle in the county.

14-49 (b) A vehicle that may be registered under Chapter 502 or
 14-50 504, Transportation Code, without payment of a registration fee may
 14-51 be registered in the county without payment of the additional fee.

14-52 (c) A fee authorized by this section may take effect only on
 14-53 January 1 of a year. The county must notify the department not
 14-54 later than September 1 of the year preceding the year in which the
 14-55 fee takes effect.

14-56 (d) A fee authorized by this section may be abolished under
 14-57 Section 446.154. The abolition may take effect only on January 1 of
 14-58 a year. A county must notify the department not later than
 14-59 September 1 of the year preceding the year in which the abolition
 14-60 takes effect.

14-61 (e) The county assessor-collector of a county imposing a fee
 14-62 authorized by this section shall collect the fee for a vehicle when
 14-63 other fees imposed under Chapter 502 or 504, Transportation Code,
 14-64 are collected.

14-65 (f) The department shall collect the additional fee on a
 14-66 vehicle that is owned by a resident of the county and that, under
 14-67 Chapter 502 or 504, Transportation Code, must be registered
 14-68 directly with the department. The department shall send all fees
 14-69 collected for a county under this section to the county for deposit

15-1 as provided by Section 446.155.

15-2 (g) The department shall adopt rules and develop forms
 15-3 necessary to administer registration by mail for a vehicle being
 15-4 registered in the county or a vehicle that is owned by a resident of
 15-5 the county.

15-6 Sec. 446.159. ELECTION ON AD VALOREM TAX. A county to which
 15-7 this subchapter applies may hold an election on the adoption of the
 15-8 additional ad valorem tax not to exceed 15 cents on the \$100
 15-9 valuation of property provided by Subsection (c), Section 9,
 15-10 Article VIII, Texas Constitution, for transportation projects, if
 15-11 that subsection authorizes the use of the tax for those projects.

15-12 [Sections 446.160-446.200 reserved for expansion]

15-13 SUBCHAPTER E. CAPITAL REGION

15-14 Sec. 446.201. APPLICABILITY OF SUBCHAPTER. (a) Except as
 15-15 provided by Subsection (b), this subchapter applies only to a
 15-16 county for which a regional mobility authority has been created
 15-17 under Chapter 370, Transportation Code, and in which the principal
 15-18 municipality:

15-19 (1) has a population of more than 650,000; and

15-20 (2) elects all members of its governing body at large.

15-21 (b) The county commissioners court of a county, except for
 15-22 the second most populous county served by the regional mobility
 15-23 authority described by Subsection (a), contiguous to a county
 15-24 described by Subsection (a) and served by the same metropolitan
 15-25 planning organization may, by resolution, order that this
 15-26 subchapter applies to the county.

15-27 Sec. 446.202. DEFINITIONS. In this subchapter:

15-28 (1) "Mobility improvement project" includes:

15-29 (A) sidewalks; and

15-30 (B) paths, lanes, ways, and trails for bicycling
 15-31 or hiking and facilities related to such paths, lanes, ways, and
 15-32 trails.

15-33 (2) "Transit authority" or "transportation authority"
 15-34 includes a county described by Section 446.201(a) and the county's
 15-35 principal municipality.

15-36 (3) "Principal municipality" means the municipality
 15-37 with the largest population in a county.

15-38 Sec. 446.203. CALLING OF ELECTION. (a) The commissioners
 15-39 court of a county to which this subchapter applies by order may call
 15-40 an election on the issue of imposing one or more methods of local
 15-41 option funding authorized by this chapter to:

15-42 (1) acquire, construct, develop, own, operate, and
 15-43 maintain mobility improvement projects;

15-44 (2) fund operations, maintenance, capital, and debt
 15-45 service expenses for mobility improvement projects; or

15-46 (3) contract with a transportation authority or
 15-47 transportation provider for a purpose described by Subdivision (1)
 15-48 or (2).

15-49 (b) A county commissioners court and the principal
 15-50 municipality of the county may, by orders containing identical
 15-51 provisions, jointly call an election on the issue described by
 15-52 Subsection (a). The cost of an election called under this
 15-53 subsection is shared by the county and the principal municipality
 15-54 on a pro rata basis.

15-55 (c) A county commissioners court by order shall call an
 15-56 election on the issue described by Subsection (a) on receipt of a
 15-57 resolution requesting that the election be called that has been
 15-58 adopted by:

15-59 (1) the governing bodies of one or more municipalities
 15-60 representing more than 60 percent of the total population of the
 15-61 county; or

15-62 (2) the governing bodies of the principal municipality
 15-63 and the second most populous municipality located in the county.

15-64 (d) A resolution under Subsection (c) must be adopted by the
 15-65 governing body of each petitioning municipality by a vote of not
 15-66 less than two-thirds of its membership.

15-67 (e) A county commissioners court may order an election under
 15-68 this section on an issue described by Subsection (a) only after
 15-69 holding a public hearing regarding the issue.

16-1 (f) The governing body of the principal municipality of a
 16-2 county described by Section 446.201(a) may, by order adopted by a
 16-3 majority vote of its membership, call an election within the
 16-4 boundaries of the municipality on the issue described in Subsection
 16-5 (a), the results of which only apply within the boundaries of the
 16-6 municipality. The municipality may adopt the order only after
 16-7 holding a public hearing regarding the issue.

16-8 (g) A principal municipality ordering an election within
 16-9 the boundaries of the municipality under Subsection (f) has the
 16-10 powers and responsibilities granted to a county under Subchapter B
 16-11 within the boundaries of the municipality only.

16-12 (h) Before an election may be called under this section, the
 16-13 metropolitan planning organization for the region in which the
 16-14 county or municipality calling the election is located must certify
 16-15 by majority vote that the list of proposed mobility improvement
 16-16 projects included on the proposed ballot are consistent with the
 16-17 organization's current long-range transportation plan.

16-18 (i) An election called under this section may only be held
 16-19 on a uniform election date in November or May.

16-20 (j) An election under this subchapter may be called not more
 16-21 than 120 days prior to election day.

16-22 (k) Notwithstanding Subsections (a)-(f), if either the
 16-23 county commissioners court or the governing body of the principal
 16-24 municipality described by Subsection (f) calls for an election, the
 16-25 other entity may not call for an election under this subchapter
 16-26 until the next uniform election date.

16-27 (l) Notwithstanding Subsections (a)-(f) and (k), in the
 16-28 event a county commissioners court and the governing body of the
 16-29 principal municipality described by Subsection (f) call an election
 16-30 under this subchapter not more than 120 days prior to election day
 16-31 and not less than 110 days prior to election day:

16-32 (1) each election order is deemed invalid; and

16-33 (2) no additional election may be called under this
 16-34 subchapter until the next uniform election date.

16-35 Sec. 446.204. CONTENTS OF ORDER; BALLOT PROPOSITION.

16-36 (a) An order calling an election under Section 446.203 must
 16-37 include the ballot proposition to be used in the election. The
 16-38 ballot proposition must:

16-39 (1) list each proposed mobility improvement project to
 16-40 be funded;

16-41 (2) designate each proposed method of local option
 16-42 funding and the proposed rate or amount to be used to fund capital
 16-43 construction of each proposed mobility improvement project or group
 16-44 of projects and, if applicable, designate a separate and
 16-45 corresponding proposed rate or amount for the maintenance and
 16-46 operation of each proposed project or group of projects;

16-47 (3) state the estimated date or dates on which each
 16-48 proposed method of local option funding is expected to expire; and

16-49 (4) if applicable, list the estimated annual
 16-50 maintenance and operation expenses for each proposed mobility
 16-51 improvement project or group of projects for which a rate or amount
 16-52 is proposed under Subdivision (2).

16-53 (b) The ballot proposition for an election ordered under
 16-54 Section 446.203(c) must include the name of each municipality
 16-55 petitioning under that subsection.

16-56 Sec. 446.205. PROJECT SELECTION ADVISORY COMMITTEE.

16-57 (a) Before a county or municipality may order an election under
 16-58 Section 446.203 or a municipality may adopt a resolution under
 16-59 Section 446.203(c), the county or municipality must establish a
 16-60 project selection advisory committee to recommend mobility
 16-61 improvement projects and related methods of local option funding
 16-62 authorized by this chapter. The composition of an advisory
 16-63 committee is determined by the county or municipality that
 16-64 establishes the committee. A county and principal municipality
 16-65 acting jointly under Section 446.203(b) may establish and compose a
 16-66 joint committee. Two or more municipalities adopting a resolution
 16-67 under Section 446.203(c) may establish and compose a joint
 16-68 committee.

16-69 (b) Each project selection advisory committee shall:

17-1 (1) consult with:
 17-2 (A) the county or municipality that establishes
 17-3 the committee;
 17-4 (B) the metropolitan planning organization for
 17-5 the region in which the county is located;
 17-6 (C) the municipalities located in the county;
 17-7 (D) a regional mobility authority operating
 17-8 under Chapter 370, Transportation Code, that serves the county;
 17-9 (E) a transit or transportation authority
 17-10 created or operating under Subtitle K, Title 6, Transportation
 17-11 Code, that serves the county; and
 17-12 (F) a commuter rail district operating wholly or
 17-13 partially in the county;
 17-14 (2) give first consideration to mobility improvement
 17-15 projects of regional significance that complement or supplement the
 17-16 regional transportation system; and
 17-17 (3) consider the geographic location of other
 17-18 state-funded or federally funded transportation projects and
 17-19 mobility improvement projects so as to foster geographic equity in
 17-20 the planning and development of regional projects.
 17-21 Sec. 446.206. SUBSEQUENT ELECTIONS. (a) After initial
 17-22 mobility improvement projects and methods of local option funding
 17-23 are determined and an initial election is called under Sections
 17-24 446.203 and 446.204, a project selection advisory committee may
 17-25 determine and propose additional projects and funding, and
 17-26 additional elections may be called, using the procedures described
 17-27 by those sections.
 17-28 (b) Notwithstanding Section 446.203, the commissioners
 17-29 court of a county or the governing body of a municipality may not
 17-30 call an election under this subchapter before the 11th month
 17-31 following an election previously called under this subchapter.
 17-32 Sec. 446.207. TRANSIT OR TRANSPORTATION AUTHORITY SERVICES
 17-33 NOT AUTHORIZED. (a) A county acting under this subchapter may not
 17-34 directly operate or provide passenger rail services or any service
 17-35 expressly reserved by a transit authority created or operating
 17-36 under Chapter 451, Transportation Code, that serves the county.
 17-37 (b) This subchapter does not authorize the creation of a
 17-38 transit or transportation authority.
 17-39 [Sections 446.208-446.250 reserved for expansion]
 17-40 SUBCHAPTER F. WEST TEXAS BORDER REGION
 17-41 Sec. 446.251. APPLICABILITY OF SUBCHAPTER. This subchapter
 17-42 applies only to a municipality that:
 17-43 (1) has a population of more than 550,000;
 17-44 (2) has created a regional mobility authority under
 17-45 Chapter 370, Transportation Code; and
 17-46 (3) is located in a county that is adjacent to an
 17-47 international border.
 17-48 Sec. 446.252. DEFINITIONS. In this subchapter:
 17-49 (1) "Mobility improvement project" includes:
 17-50 (A) sidewalks; and
 17-51 (B) paths, lanes, ways, and trails for bicycling
 17-52 or hiking and facilities related to such paths, lanes, ways, and
 17-53 trails.
 17-54 (2) "Transit authority" or "transportation authority"
 17-55 includes a municipality to which this subchapter applies.
 17-56 Sec. 446.253. CALLING OF ELECTION. (a) The governing body
 17-57 of a municipality to which this subchapter applies may, by order
 17-58 adopted by a majority vote of its membership, call an election on
 17-59 the issue of imposing one or more methods of local option funding
 17-60 authorized by this chapter to:
 17-61 (1) acquire, construct, develop, own, operate, and
 17-62 maintain mobility improvement projects;
 17-63 (2) fund operations, maintenance, capital, and debt
 17-64 service expenses for mobility improvement projects; or
 17-65 (3) contract with a transportation authority or
 17-66 transportation provider for a purpose described by Subdivision (1)
 17-67 or (2).
 17-68 (b) A municipality may order an election under this section
 17-69 on an issue described by Subsection (a) only after holding a public

18-1 hearing regarding the issue.

18-2 (c) A municipality ordering an election under this section
 18-3 has the powers and responsibilities granted to a county under
 18-4 Subchapter B.

18-5 (d) Before an election may be called under this section, the
 18-6 metropolitan planning organization for the region in which the
 18-7 municipality calling the election is located must certify by
 18-8 majority vote that the list of proposed mobility improvement
 18-9 projects included on the proposed ballot are consistent with the
 18-10 organization's current long-range transportation plan.

18-11 (e) An election called under this section may only be held
 18-12 on a uniform election date in November or May.

18-13 Sec. 446.254. CONTENTS OF ORDER; BALLOT PROPOSITION. An
 18-14 order calling an election under Section 446.253 must include the
 18-15 ballot proposition to be used in the election. The ballot
 18-16 proposition must:

18-17 (1) list each proposed mobility improvement project to
 18-18 be funded;

18-19 (2) designate each proposed method of local option
 18-20 funding and the proposed rate or amount to be used to fund capital
 18-21 construction of each proposed mobility improvement project or group
 18-22 of projects and, if applicable, designate a separate and
 18-23 corresponding proposed rate or amount for the maintenance and
 18-24 operation of each proposed project or group of projects;

18-25 (3) state the estimated date or dates on which each
 18-26 proposed method of local option funding is expected to expire; and

18-27 (4) if applicable, list the estimated annual
 18-28 maintenance and operation expenses for each proposed mobility
 18-29 improvement project or group of projects for which a rate or amount
 18-30 is proposed under Subdivision (2).

18-31 Sec. 446.255. PROJECT SELECTION ADVISORY COMMITTEE.
 18-32 (a) Before a municipality may order an election under this
 18-33 subchapter, the municipality must establish a project selection
 18-34 advisory committee to recommend mobility improvement projects and
 18-35 related methods of local option funding authorized by this chapter.
 18-36 The composition of an advisory committee is determined by the
 18-37 municipality.

18-38 (b) Each project selection advisory committee shall:

18-39 (1) consult with:

18-40 (A) the municipality that establishes the
 18-41 committee;

18-42 (B) the metropolitan planning organization for
 18-43 the region in which the municipality is located;

18-44 (C) other municipalities located in the same
 18-45 county as the municipality;

18-46 (D) a regional mobility authority operating
 18-47 under Chapter 370, Transportation Code, that serves the
 18-48 municipality;

18-49 (E) any transit or transportation authority
 18-50 created or operating under Subtitle K, Title 6, Transportation
 18-51 Code, that serves the municipality; and

18-52 (F) any commuter rail district operating wholly
 18-53 or partially in the municipality;

18-54 (2) give first consideration to mobility improvement
 18-55 projects of regional significance that complement or supplement the
 18-56 regional transportation system; and

18-57 (3) consider the geographic location of other
 18-58 state-funded or federally funded transportation projects and
 18-59 mobility improvement projects so as to foster geographic equity in
 18-60 the planning and development of regional projects.

18-61 Sec. 446.256. SUBSEQUENT ELECTIONS. (a) After initial
 18-62 mobility improvement projects and methods of local option funding
 18-63 are determined and an initial election is called under Sections
 18-64 446.253 and 446.254, a project selection advisory committee may
 18-65 determine and propose additional projects and funding, and
 18-66 additional elections may be called, using the procedures described
 18-67 by those sections.

18-68 (b) Notwithstanding Section 446.253, the governing body of
 18-69 a municipality may not call an election under this subchapter

19-1 before the 11th month following an election previously called under
19-2 this subchapter.

19-3 Sec. 446.257. TRANSIT OR TRANSPORTATION AUTHORITY SERVICES
19-4 NOT AUTHORIZED. (a) A municipality acting under this subchapter
19-5 may not directly operate or provide passenger rail services or any
19-6 service expressly reserved by a transit authority created or
19-7 operating under Chapter 451, Transportation Code, that serves the
19-8 municipality.

19-9 (b) This subchapter does not authorize the creation of a
19-10 transit or transportation authority.

19-11 SECTION 2. Subsection (a), Section 502.003, Transportation
19-12 Code, is amended to read as follows:

19-13 (a) Except as provided by Subsection (b) and by Chapter 446,
19-14 Local Government Code, a political subdivision of this state may
19-15 not require an owner of a motor vehicle to:

- 19-16 (1) register the vehicle;
- 19-17 (2) pay a motor vehicle registration fee; or
- 19-18 (3) pay an occupation tax or license fee in connection
19-19 with a motor vehicle.

19-20 SECTION 3. (a) Unless otherwise authorized by the
19-21 constitution of this state, money collected from a county motor
19-22 fuel tax authorized by this Act may be used only for acquiring
19-23 rights-of-way, for constructing, maintaining, and policing public
19-24 roadways, and for administering laws related to the supervision of
19-25 traffic and safety on those roads.

19-26 (b) If the constitution of this state does not authorize the
19-27 use of money collected under the county motor fuel tax authorized by
19-28 this Act for transportation uses other than those described by
19-29 Subsection (a) of this section, the county shall deposit such money
19-30 into an account separate from the money collected under other
19-31 provisions of Chapter 446, Local Government Code, as added by this
19-32 Act, and may use the money only for the purposes described by
19-33 Subsection (a) of this section.

19-34 (c) If the constitution of this state requires that
19-35 one-fourth of the county motor fuel tax authorized by this Act be
19-36 allocated to the available school fund, the county shall deposit
19-37 such money into an account separate from the money collected under
19-38 other provisions of this Act and shall allocate the money to the
19-39 comptroller of public accounts for deposit in the state treasury
19-40 for the purpose required by the constitution.

19-41 SECTION 4. This Act takes effect immediately if it receives
19-42 a vote of two-thirds of all the members elected to each house, as
19-43 provided by Section 39, Article III, Texas Constitution. If this
19-44 Act does not receive the vote necessary for immediate effect, this
19-45 Act takes effect September 1, 2009.

19-46 * * * * *